ALTERNATIVES FOR THE PROTECTION OF JACKSON HOLE'S PASTORAL LANDS

JOINT HEARING

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

OF THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES

AND THE

SUBCOMMITTEE ON ENERGY AND AGRICULTURAL TAXATION

OF THE

COMMITTEE ON FINANCE UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

FIRST SESSION

TO CONSIDER ALTERNATIVE APPROACHES TO LAND PROTECTION IN JACKSON HOLE, TETON COUNTY, WYO.

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ALTERNATES FOR THE PROTECTION OF JACKSON HOLE'S PASTORAL LANDS

FRIDAY, AUGUST 28, 1981

U.S. SENATE, SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER, COMMITTEE ON ENERGY AND NATURAL RESOURCES, AND THE SUBCOMMITTEE ON ENERGY AND AGRICULTURAL TAXATION, COMMITTEE ON FINANCE,

Jackson, Wyo.

The subcommittees met, pursuant to notice, at 9 a.m., at the Virginian Convention Center, Jackson, Wyo., Hon. Malcolm Wallop, presiding.

Present: Senator Wallop.

Also present: Tony Bevinetto, professional staff member; Thomas B. Williams, professional staff member for the minority of the Committee on Energy and Natural Resources; Roderick De Arment, deputy chief counsel, Committee on Finance; and Joyce Kelly, Bureau of Land Management.

OPENING STATEMENT OF HON. MALCOLM WALLOP, A U.S. SENATOR FROM THE STATE OF WYOMING

Senator WALLOP. Good morning to everyone here. Let me begin by expressing my pleasure in being here in the valley again, but more particularly and generally about being back to Wyoming. The last 5 or 6 months in Washington have not been without controversy and a lot of elbows and heels and angry battles. When we get back to Wyoming, it is, as always, a sense of real relief. And as a matter of fact, if they started selling that "stuff" on the market, we'd probably put a lot of pills out of business.

I really look forward to taking some inspiration from the surroundings here today as we join together to explore the possible need for and creative ideas toward protecting some of the most prized resources in this country—the private lands in agrarian and pastoral use, the lands which remain in open space. And at the same time I think it is important, before beginning such a meeting as this, to recognize the people's inherent right to own and to use private property. Certainly the desire to live and work in such a place as Jackson Hole is easily understood. The demands for second homes, vacation retreats and hideways are all as easily predictable.

Teton County is, as most know, mostly in public ownership; 97 percent of it is in Federal ownership, managed by the National Park Service, U.S. Fish and Wildlife Service, Bureau of Land Manage-

ment, and the U.S. Forest Service. And if I'm not mistaken, this county is unique in the number of Federal land managers who come together to operate the affairs of the land operations within the county.

Now, why are we here today and what is the purpose of this hearing? What should we expect to resolve by this session? Last month, I was privileged to chair a 2-day workshop in Washington, D.C.—the first ever—on public land acquisition policies and alternatives to fee acquistition. This workshop was a first response to a commitment and requests from a number of Senators, landowners, and business and conservation groups to assess and record the current picture in Federal land acquisition policy and protection alternatives from all angles. During those workshops, we discussed the fact that the Federal Government cannot afford to protect everything worth protecting in this Nation by continuing to buy up outstanding land, nor is that alternative appropriate. The Federal Government already owns one-third of the land in this country, and that's disregarding the highway system. However, there are many areas across the country which may merit additional protection from development, and so the workshops were designed to discuss ways to do that, and to discuss alternatives for protecting lands such as changes in the tax laws to encourage conservation, land exchanges between private, State, and Federal lands, as well as disposal of excess Federal holdings, conservation easements, cooperative Federal-State-local cooperative ventures, land trusts, and the list went on and on.

And one of the things that brought us together is the fact that in this country today there is a $3 billion backlog in authorized property acquisitions. Three billion dollars is a lot when you're cutting budgets. And I think it's fair to say, and I think Cliff Hansen would agree with me, that much of what is authorized does not need to be in public ownership to protect the last of what remains in this country.

Now, we did that for 2 full days. We gathered together an extraordinary group of people who participated as moderators, panelists, and observers. We had members of Government, Secretaries of the Cabinet; we had people from conservation groups, and administrators of Federal land managing agencies; we had representatives of people who hold lands within the parks; we had appraisers, we had realtors, we had lawyers, writers, people from agriculture, from recreation, from forestry, from the livestock industry, from wilderness interests, wildlife interests, and it went on and on and on.

It was an extraordinary session, and everyone from every side of the debate seemed excited by the ideas we generated. We found out, to no one's surprise, that there is much work being done in terms of creative, less than fee protection, but that there is much still to do, and that many people are willing to work on these issues. I have the highlights of the workshops reprinted, and the moderators' summaries amd recommendations. They're over there on the table and you're more than welcome to take them. Out of the workshops came ideas for new directions, and for administrative and legislative changes. And those suggestions are not necessarily what will be done, but they show the scope of the workshops and the ideas, that we discussed. And as I said, the summaries are available for your use and please take copies if you care to have one.

Now, from the Washington, D.C., workshop, we come to Jackson Hole.

Let me state at the outset that there is no legislation introduced or pending concerning Jackson Hole. This hearing is a followup to the workshop, and in response to several requests to explore the need for possible legislation specifically affecting Jackson Hole. It is designed to find out the present status of land protection efforts in Jackson Hole, to hear from city, county, State, and Federal officials, and to listen to landowners and citizens.

Let me emphasize my position concerning such legislation. I will not introduce or pursue legislation affecting land allocation policies in Jackson Hole unless specifically requested to do so by the county and local governments.

About 1 year ago, a number of local landowners asked me to explore the feasibility of Federal acquisition of scenic easements over certain private lands in this valley, and to introduce legislation along these lines. At that time, I responded that I would hold a hearing, if possible, to look into this matter. When I discovered that specific legislation had to be introduced in order to have a hearing, I said I would introduce as many as three separate legislative proposals as vehicles for discussion only. However, for a variety of reasons, I was unable to hold that hearing.

And today, I think we must recognize that we are in a brand new economic ballgame as far as Federal spending policies go. The country's economic condition means business as usual will no longer suffice. The context for land acquisition has changed dramatically. Congressional appropriations for Federal areas have simply not kept pace with the authorizations. I mentioned the $3 billion backlog and the appropriations are trailing far behind that. Land values for authorized purchases are skyrocketiug, as witnessed in the Santa Monica National Recreation Area and in the Redwoods National Park. There is clearly a need for a new land and resource protection policy that uses Federal fee acquisition as only one of many land protection tools, and there is a need to assess all reasonable alternatives. Private ownership has, in many cases, provided excellent resource protection, and can and should play a major role in land stewardship. So I think that we need this hearing as a followup to the Washington D.C., workshop, and we need it before we talk or think about specific legislation that might be related to Jackson Hole.

This may be the time to act. The rapid expansion of the national park system in the last decade; the increasing threats to both new and older parks; the increasing public unrest with traditional land acquisition approaches; and the very strong need for budget restraints all make it clear that Congress may wish to address the balance between traditional land acquisition policies and alternatives to establish and protect areas of national importance. We may need generic legislation; that is, national legislation, that will articulate the views of the Congress with regard to the present national land acquisition situation, that will establish a clear system of Federal priorities where now there is none and that will clearly and carefully define the Federal role in those priorities. I am prepared to work with this administration and others to develop such national legislation where it is called for.

Since we held our workshop on July 9 and 10, President Reagan has signed into law the new tax bill. That law contains several of the tax proposals that were mentioned during the workshops as being potentially helpful to resource protection.

Perhaps the most helpful of these changes is the sweeping revision of the Federal estate and gift tax law that will help preserve farms and ranches in family ownership. Among the changes made are a phased-in increase of the unified credit against the estate tax to an equivalent of $600,000, and an unlimited marital deduction, a reduction of the top estate tax from 70 to 50 percent, an improvement of the current use valuation. These estate tax changes are spelled out in some detail in a two-page handout prepared by the staff of the Senate Finance Committee. And there are also copies of that available on the table to which you are welcome.

The new tax bill also increases the limit on the amount of charitable contributions that a corporation can deduct. Under prior law, a corporation could deduct charitable contributions up to 5 percent of its taxable income. This limit has been increased to 10 percent, so that corporations, and particularly small corporations, can increase the size of contributions of land for preservation.

And one of the advantages of this is that many of the things that country really needed and would have desired to have protected under the 5-percent limitation was simply not possible. Corporations were not permitted to carryover to later years, contributions that exceeded 5-percent limit, and so those gifts frequently were not made. And there was the feeling of many people in the workshops that an increase in a corporation's ability to give would put many of those areas of value preservation into the corporate conscience.

Now, this is but a short summary of some of the new tax law changes, and more may be suggested today. I hope you will consider the ideas that I've outlined, and the ideas from the workshop, as we begin our proceedings today and continue them in the future. Let me reiterate that neither I nor anyone else has introduced legislation in the Congress affecting land allocation in Jackson Hole, and that none will be forthcoming unless the county so desires. Any legislation introduced would obviously be subject to separate, additional hearings on the specific propsoal. Your ideas and comments are solicited and appreciated. Your comments on any specific bill, if and when introduced, would also be requested.

This hearing record here will be open for 2 weeks after today, and I would ask you to submit any written comments to me in care of Tony Bevinetto, Public Lands and Reserved Water Subcommittee, 3104 Dirksen Senate Office Building, Washington, D.C. 20510, or in care of Pam Redfield of my Lander office which is P.O. Box 1014 in Lander.

If you would like a printed copy of this hearing record, please print your name and address on the labels at the table and a copy will be sent to you in about 6 weeks.

Let me also introduce those who are here. Tony Bevinetto is no stranger to many of you. He used to work in the Teton Park, and then for years and years with Senator Hansen and now I have inherited him. And it has been my great pleasure to work with him now

for the few months that I have had the chairmanship of Public Lands Subcommittee.

Tom Williams of the Energy and Natural Resources Committee, and Joyce Kelly from the same committee, and Rod De Arment of the Senate Finance Committee.

And, in addition, in the room is Pam Redfield, who heads my Lander office, and Patty McDonald, who also used to work for the Teton National Park and has since worked for me in Washington.

With that, I would say that we have a number of witnesses today, and while I am interested in your ideas, to the extent some testimony is lengthy it can be summarized. It all will be introduced in the record and delivered in full. What we want to do is give everybody who has requested an opportunity to appear, that opportunity. There are some 22 of you.

Let me begin by saying how much of a pleasure it is to introduce the first witness who is my former and senior colleague and my permanent friend, Cliff Hansen, who has served your valley and this State in public and in private life.

Cliff, it's very nice to see you. [Applause].

STATEMENT OF HON. CLIFFORD P. HANSEN, A FORMER U.S. SENATOR FROM THE STATE OF WYOMING

Senator HANSEN. Senator Wallop, it is indeed a pleasure to welcome you and staff members, most of whom have been my longtime friends, to Jackson Hole.

You deserve our thanks for chairing a 2-day workshop on public land acquisition and alternatives in Washington early last month.

When you come to Jackson Hole on this mission, you trod a well-beaten trail. Presidents, Senators, Members of Congress, Cabinet members and distinguished private citizens have pondered these and similar problems for many decades.

And much has been accomplished.

As a one time adversary, let me recognize the debt America owes the Rockefellers. Had it not been for the vision, the motivation, and the ability of their family, the pristine character of this singularly unique and beautiful valley would not be what it is today.

Jackson Hole has been the object of growing national attention since the publication of the book "Desperate Scenery," before the turn of the century. No useful purpose would be served by trying to identify the more important bills, hearings, meetings, and activities which have occurred since then. The Teton Forest was established in 1908, the National Elk Refuge in 1912, Grand Teton National Park in 1927, the Jackson Hole National Monument in 1943, and the subsequent enlargement of Grand Teton as most of the monument area was incorporated into it, in 1950.

Any longtime observer of the area can understand the inevitable public interest conflicts arising along the several boundaries.

Despite the ever-increasing presence of people, wildlife has prospered. The State of Wyoming has managed this resource well. Nevertheless, interest in further enhancement of game and wildlife numbers and species understandably enlists many advocates.

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While one-third of the Nation's land is publicly owned, as you have already observed, approximately 97 percent of the area of Teton County is in Federal ownership. It is already open space. I gather our concerns today focus on open space in the remaining 3 percent of the county that is not already permanent open space.

The statement Senator Len Jordan, of Idaho, made several years ago is still valid. He said: "The difference between an environmentalist and a developer is that the environmentalist built his mountain cabin last year." It is fair to say that, among others, most newcomers would like to see the pastoral scene of this valley protected from further development.

The questions before the subcommittee today are (1) what can be done by individuals and/or government to protect and prolong the innate attractiveness of the remaining open space; and (2) what, if anything, should be done.

Answers, insofar as Federal action can advance them, need to be examined in the context of important relevant facts that transcend the boundaries of Jackson Hole.

Let me identify some as I perceive them.

One. The National Parks System has expanded rapidly in the last decade. Parks are being structured in and near urban centers largely from privately owned property.

Two. Activities adjacent to national parks, both old and new, which many view as threats to their integrity, underscore the fact that there will always be adjacent lands.

Three. The deteriorating quality of maintenance and protection, as well as public safety, because of budget restraints, argues persuasively for sharply increased user fees, as well as earmarking a larger share of the National Park Service budget to this management responsibility.

Four. Authorized, but unacquired, properties in the National Parks and Forest System totaling some $3 billion preclude much expansion of any Federal reservation in the foreseeable future. Several years ago, I proposed a study of boundaries when the budget crunch was far less acute.

Five. Conservation organizations eager to help, capable of quick action, often can make a difference.

Six. Tax incentives, including proposals that the granting or gifting of scenic easements would entitle the donor to tax credits, including estate tax credits. Laws permitting the passing of an estate, based upon present use values instead of the traditional highest and best use concept so long as those present uses continue for a period of years, all move toward retention of open space.

And I would like to say that this Nation owes Senator Wallop a great deal for the very vital and important leadership role he played in bringing about some of the changes in tax laws to which I have referred that make it far more easy to accomplish purposes in this valley and throughout the Nation that most every thinking American, I'm certain, would agree with. And had it not been for your leadership and your wisdom and foresight, Senator Wallop, that wouldn't have happened. I thank you, sir.

Senator WALLOP. Thank you.

Senator HANSEN. Seven. Land exchanges and sales in one area accompanied by purchases in another, possibly involving more than one agency, provide a sensible, inexpensive way of implementing priorities.

An example of how that works is provided by the Lake Tahoe and Las Vegas areas where a pollution problem was becoming greatly exacerbated in the Lake Tahoe area, and I think under the leadership of your admiring colleague, Senator Paul Laxalt, an exchange was worked out whereby BLM lands were sold in the vicinity of Las Vegas and the funds from that sale went to the purchase of property that alleviated the problem of Lake Tahoe.

Eight. Zoning.

And lastly, but by no means, less importantly: Nine. A clear national mandate to halt inflation by reducing Government spending.

It may be inferred that the President's program sharply limiting outlays for land purchases is counter to the interests of many in this immediate area. However, there is reason to hope that by getting a handle on inflation, ranchers and farmers who own much of the land in contention, will receive the necessary encouragement to continue their present occupations. Few segments of the national economy have been squeezed as hard between rising costs and depressed product prices.

As we study the problem, we need to keep in mind permanent protection and control requires ownership either in fee or of development right. Viewed in the long term, aside from the dedication of open space to receive the bonus of additional units, zoning doesn't achieve any real lasting goals. The varous conservation organizations interested in the Santa Monica Mountains air shed will attest to that.

Landowners have rights, too. The laws of eminent domain are clear in that regard.

Land exchanges can be useful. The difficulty is in working out the details. Problems are fewer if the exchange can be effected within one county—thereby voiding tax loss problems.

Any proposed Federal legislation would have a greater chance of passage by making its provisions applicable everywhere.

The desirability of identifying areas where scenic easements would qualify for special tax inducements seems obvious. Some action by a governing board, such as a State or county, would seem prerequisite to permitting the reduction of assessment rolls. And, if a public purpose is to be realized over a period of years, a unit of government—no less—must have the easement vested in it and watch over it.

There can be little defense made for Federal land managers who threaten to condemn if certain developments occur but are unwilling or unable to purchase those areas in the first place. This administration should no longer condone this practice. There should be provision for immediate payment for any lands taken.

I conclude, therefore, that the viable options available here are these:

One. Land exchanges, including sales in one area of Federal lands and purchases in another. I have not much faith in this mechanism working. Local concerns, departmental reluctance to yield turf

and paralysis by analysis are pretty insurmountable hurdles to timely action.

Two. Tax incentives, including tax credits and estate tax credits for the giving of lands in fee or conservation easements along with estate appraisal on a use basis can greatly encourage continued agrarian operations.

Three. Land trusts permit quick action. They merit support.

Their problems will be in getting a hold of funds that can be used or finding those individuals with a sufficiently unique income situation so as to enable them to be the recipients of gifts of land trusts.

Any long-range view of the total needs of this area must recognize the increasingly acute demand for small tracts of land—city lots—available for homes for those who provide the services necessary to a growing population. Obviously, 3 acres precludes homeownership to this vital class of residents. Public subsidy is no answer. Expanded town subdivisions, with moderate priced housing, coming from the private sector, is the best solution. Working people like to live here, too.

Senator Wallop, let me thank you for arranging this hearing and for your presence here today.

Senator WALLOP. Cliff, I appreciate it. You know, your experience with regard to the legislative role in all this is broader than anybody's in this room and I appreciate the counsel that you have.

I think you would agree with me that one of the big problems that we have is that no inventory exists of excess public lands or even any real inventory of public lands. It does not exist in this country even amongst agencies. So that anytime that we might want to get into the exchange concept, even there you would have difficulty.

The State of Florida came and testified in the workshop. They have a computer bank, and Florida makes very real decisions as to what is necessary in the long-term interests of the State to protect, and they are not of a mind that the only thing they can do is to continue to acquire more. They're willing to exchange some of lesser value for some of greater value. And where you were talking about tax credits, one thing I would be appreciative of, because you've sat on both these committees that are represented here today, the Finance and the Energy Committee, is the means by which the Government can determine some value. I mean, it is of little use to the Government to have a gift that is of no use with permanent strings attached to it.

Have you got any ideas what mechanism could exist that would determine whether or not a gift was of value? You know now one of the great problems that we have is that you have to give the gift and then the IRS, after the gift has been given, makes the determination of value. Most people don't like to plan in that way.

Have you any concept at all as to how or what mechanism could be used if somebody proposed to give a gift, as we do with portraits and paintings given to the National Gallery. They say: Well, this isn't worthy of entering the national collection. Do you have any ideas?

Senator HANSEN. I have read the summaries that were prepared following the 2-day workshop and I must say that you did an excellent job in bringing together a variety of people representing the total

spectrum of interests in this very complicated problem. And I have pondered a little the precise question you have now proposed for me.

It seems that I should think some agency of Government could assist in this area. It occurs to me that not less than a board of county commissioners ought to recognize the desirability and the need for this sort of gift to qualify. It seems to me that the IRS would be hard pressed if people throughout the country started including in their income tax returns a scenic easement or a development gift for property that no one else excepting the taxpayer would have any interest in.

If I understand your question, that's what you're talking about.

Senator WALLOP. Yes. That's exactly what I meant.

Senator HANSEN. And I should think that at least the board of county commissioners, and probably it would lend greater validity if the State government and the legislature were involved. Perhaps it could be initiated at the local level, but if it were followed up by legislative action at the State level, it would seem to me then that we would obviate the allegation that there was really no need for it, by saying: Here are representatives of the people who have identified this area as unique and special, and see the justification for favorable tax treatment.

Senator WALLOP. So that it would become part of a concept of value that was developed locally rather than just a hit-or-miss scheme of accepting easements which might, in the long run, have no ultimate relation to each other.

Senator HANSEN. That may not be a very good answer, but for what little time I've pondered it and the extent of my ability to look at the different ramifications of it, I should think that that would be possible approach.

Senator WALLOP. I also agree with the point in your statement that most anything ought to have nationwide applicability, and that certainly is as important concept for this hearing as anything specific.

You were in Congress when many of these lands in the authorized backlog were authorized. What do you think the reaction would be to deauthorization?

Senator HANSEN. To deauthorization?

Senator WALLOP. Of certain lands.

Senator HANSEN. Well, it would seem to me to be a step in the right direction, I should think in all candor, while a number of people, wherever a reservation has been established, endorse the totality of the reservation and indeed in often cases would like more given I think that reasonable people can draw a line and say: What is the purpose that we hope to achieve by this reservation and how much land is needed, and could some changes in boundaries be made.

As an example, I remember when Jack Nichols was in this area, he examined—I wasn't a party to the various meetings that were held—but I think that Tony was at a number of those, were you not, Tony?

Mr. BEVINETTO. Yes, sir.

Senator HANSEN. And a good hard look was given at this area to determine, really, if all of the area should be included. I think one of

the parts of the national park that was examined from many angles was the little town of Kelly. That contains, as we know, a number of people and there are people on both sides of that issue, if you talk about leaving it in or taking it out. I'm not trying to say what ought to be done with Kelly, but certainly to call attention to the fact it is there. It would seem as though there might be situations throughout the United States that would not be unlike the situation here, where we might have people with the assistance and guidance of land managers take a look at the Federal estate and see if some bearing down might not be accomplished.

Senator WALLOP. One of the things that was pretty clear after 2 days of those workshops is that everybody agrees that some mechanisms, in addition to fee acquisition, ought to be available and ought to be more quickly considered. It became obvious to everyone there that, despite the fact we have a thing called the Federal Land Policy Management Act, we have no Federal goal defined at any level as to what this country could or should do with remaining lands or even the existing lands. No clear statement of the values for protection or the values for which any reservation is taken, whether it's open space or recreation or timber or what have you. Of course, that's a long and involved process, as you well know, but we could use your counsel in that as we go along.

I really do thank you very much for appearing here today.

Senator HANSEN. Thank you, Senator Wallop.

Senator WALLOP. Next, we have a statement from Senator Simpson which will be delivered by his State director, Bob Frisby.

Mr. FRISBY. Thank you, Senator Wallop. My name is Bob Frisby. I'm State coordinator for Senator Simpson, and I appreciate you allowing me to take this time to present his statement.

Senator Simpson is in Los Angeles today, addressing the international convention of Kiwanians. I'm sure he would rather be in Jackson Hole. This is his statement.

STATEMENT OF HON. ALAN K. SIMPSON, A U.S. SENATOR FROM THE STATE OF WYOMING, AS PRESENTED BY BOB FRISBY, STATE DIRECTOR

Mr. Chairman, I would appreciate the following statement being made a part of the record of your hearing in Jackson relating to questions concerning use of lands in Teton County and I take this opportunity to commend you for your great interest and concern about this vital subject.

I am personally aware that you, Senator Wallop, as chairman of the Senate Energy and Natural Resources Subcommittee on Public Lands and Reserved Water, have devoted a great deal of time and effort to this process, including a series of workshops in Washington, D.C., earlier this summer to discuss the whole gamut of ideas relating to protecting the public land—short of Federal acquisition.

You will be hearing a number of ideas at the Jackson hearing to include the establishment of incentives to promote land conservation, land exchanges between Federal agencies and private citizens and scenic easements.

It is my understanding that my distinguished and remarkable predecessor in the U.S. Senate—Cliff Hansen—will testify before your subcommittee along with other knowledgeable and capable people. What they say will be very important to us.

Senator Wallop has indicated that he wants to carry the workshop idea one step further with the Jackson hearing, and that is certainly helpful. I agree with his statement that it is vital to obtain the reaction of the people in Teton County and Wyoming as to whether or not these ideas will work and if there is still an interest and a need in finding some additional voluntary ways to protect lands in

Jackson Hole—and elsewhere—from development. There are a number of people in Jackson Hole who have worked very hard to promote the progress of a conservation easement program there. There are also a number who have distinct objections to such a program being funded by the Federal Government—or any other governmental entity.

I have deeply appreciated having the views of these citizens. The three members of the Wyoming congressional delegation—Senator Wallop, Congressman Cheney, and myself—have shared our views and feelings freely, in an effort to come up with a reasonable approach and one that will not injure any group or promote the interests of one group or viewpoint over another.

As we all know, this is a tough and difficult task, indeed.

But these informational hearings on the whole question in Jackson will assist us in coming up with the proper answers and will provide the opportunity for all citizens to take part and present important testimony. This is as it should be and I commend Senator Wallop for this devotion to seeing that this process is /actively promoted and pursued.

The Wyoming congressional delegation feels that any conservation easement program must be on a "willing seller/willing buyer" basis and not contain any grant of condemnation authorization for use by the Federal Government. That is an important guideline and it would be my expectation that we can make substantial progress in resolving the conflicts that arise if we stay within that directive.

The participation of a wide sweep of our citizens is the key since only by the guidance of that testimony—covering the length and breadth of the issue—can we arrive at the right answers.

I commend my friend Senator Wallop for conducting the hearing and to all of you for being present, and I trust that the results of the hearing will point us in the right direction in the months ahead.

Thank you.

Mr. FRISBY. That's the statement of Senator Simpson.

Senator WALLOP. Thank you very much, Bob, and would you pass my thanks back to Senator Simpson for testifying through you today?

Mr. FRISBY. Yes. Thank you.

Senator WALLOP. The next is a panel of Federal land managers. Mr. Jack Stark, Superintendent of Grand Teton National Park; Reid Jackson; Supervisor of Bridger-Teton National Forest, and John Wilbrecht who is the project leader of the National Elk Refuge of the U.S. Fish and Wildlife Service; and Max Lieurance, the State director of the bureau of land management in Cheyenne.

Will you gentlemen please come forward?

Jack, you're the first on the list, so why don't you go ahead. Wait for a minute while they get this set up.

STATEMENT OF JACK STARK, SUPERINTENDENT, GRAND TETON NATIONAL PARK

Mr. STARK. Thank you, Senator. I think it's interesting to note from a historical perspective the ideas of preservation and protection in parts of this valley began to surface almost as soon as the area was settled. In 1898, for example, Charles Walcott of the U.S. Geological Survey suggested the establishment of a Teton National Park that would include all of Jackson Hole north of Blacktail Butte, and then there were other proposals that the Tetons should be added to Yellowstone National Park. In 1929, Grand Teton National Park was established out of approximately 96,000 acres of federally owned lands. The park as originally established, however, did not include any portions of the Jackson Hole Valley, an area which many people

felt was an integral part of the Teton landscape in need of protection. Because of this, in 1943, Jackson Hole National Monument was established by Presidential proclamation on adjacent public and private lands. Grand Teton National Park was then enlarged in 1950 to a total of 310,515 acres, which included the majority of the land that had been set aside as the Jackson Hole Monument. Provisions in this park legislation were also made to reimburse Teton County for loss of tax revenue according to a schedule of decreasing payments for a 30-year period, to also add 6,376 acres of the monument lands to the National Elk Refuge, and to transfer 2,806 acres to Teton National Forest. Of the remaining 212,525 acres that were transferred from the monument to the park, 164,919 acres, or 77 percent, were already federally owned; 32,000, or some 55 percent, were donated by John D. Rockefeller; 1,366 acres, or 0.6 percent, were State lands; and approximately 13,296 acres, or 6.6 percent, were privately owned. The establishment of the new park culminated over 50 years of political controversy, testifying to the tremendous interest on a local, regional, and national basis that the American people have had and continue to have in this area. Since 1950, approximately 8,370 acres of non-Federal lands have been acquired and 4,926 acres of non-Federal lands remain today within the boundary of the park. Of this remaining non-Federal land, 1,366 acres in 3 tracts are Wyoming State lands, which are excellent candidates for exchange, I might add; 1,268 acres are Teton County lands; and the remaining 3,547 acres in 138 tracts are private lands. These tracts range in size from 1,200 acres to 0.03 acre.

Since 1950, all private land has been acquired on a willing buyer/willing seller basis, with the exception of four parcels totaling 11.55 acres which were acquired by eminent domain proceedings. Sixteen tracts of acquired lands totaling 479 acres have reserved use and occupancy terms, and 24 tracts totaling 1,786 acres have life estates.

A revised land acquisition policy for the National Park Service was published in the Federal Register in April 1979. The revised policy defines compatible and incompatible uses of private lands within National Park Service areas, contains a policy implementation policy, and requires each park area with an active land acquisition program to have a land acquisition plan.

Grand Teton National Park prepared and released a draft land acquisition plan to the public in May 1980, and, after public comment was reviewed and evaluated, a final plan was issued in September 1980. The plan outlines the proposed land acquisition program for the park. It describes compatible and incompatible uses of unimproved and developed properties, the circumstances under which the National Park Service may consider scenic easements, the option of selling undeveloped property right to the National Park Service and retaining certain property rights, including the right to construct a residence with retained use and occupancy for a term not to exceed 40 years.

The National Park Service plans to continue to acquire private lands within the boundary of the park on an opportunity purchase (willing buyer/willing seller) basis as appropriated funds permit. Land may be purchased in fee simple or in easement. The landowner may retain tenancy rights for a specified number of years or for life. Land-

owners who do not wish to sell may continue present use of their land so long as that use remains unchanged. No change in use is allowed on privately owned unimproved property, and substantial changes are not allowed on developed property.

It is my understanding that the Department of the Interior plans to issue a revised policy regarding inholdings in the near future that may result in some changes in our land acquisition plan. However, it's my firm belief that that vast majority of the American people do not desire to throw open private lands within the park with uncontrolled development.

The National Park Service has had a strong interest for some time in encouraging various forms of protection of the lands surrounding the park and we have an interest in cooperating certainly with Teton County, the State of Wyoming, the Bureau of Land Management, the Fish and Wildlife Service, the Forest Service, as well as other private and public organizations in any efforts that we might be able to assist in. We are especially concerned about the Buffalo Valley, which serves as the east entrance to the park, and strongly support the announced intention of the Forest Service to acquire easements in this general area. Jackson Hole is truly a unique area with outstanding resources, and there is certainly no better place to deliberate on the methods of protecting the pastoral scene which attracts millions of visitors to this area, and I appreciate the opportunity to represent the views of the National Park Service today and, Senator, we certainly appreciate you taking the time to come out to Wyoming and listen to all of us tell you our views.

Senator WALLOP. Thank you, and what I'll do is go right on through the panel and then if you would all remain for a few minutes, we can have some discussion about the views that you expressed. and I appreciate your testimony.

Next is Reid Jackson, supervisor of the Bridger-Teton National Forest.

STATEMENT OF REID JACKSON, SUPERVISOR, BRIDGER-TETON NATIONAL FOREST

Mr. JACKSON. Mr. Chairman and members of the committee, I appreciate the opportunity to appear before the subcommittee to discuss the status of the land acquisition program of the Bridger-Teton National Forest.

There are two areas within the Bridger-Teton National Forest which I think illustrate the need for prompt action to prevent the loss of critical scenic, recreation, and wildlife values to the threat of development. These areas are the Gros Ventre River Valley, only 20 miles northeast of here, and the Buffalo Valley, 40 miles north of Jackson and the east entrance to Grand Teton National Park. Both are similar in that they are wide beautiful valleys with very important wildlife habitat and each contain about 3,600 acres of private land, most of which is in large ranch ownerships that have remained relatively undeveloped. With the tremendous pressures for subdivision develop-in Jackson Hole and the rapid appreciaition of land values, these ranch lands will soon be lost to development, seriously affecting the visual qualities and wildlife habitat.

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The need to acquire partial interests—conservation easements or scenic easements—was recognized several years ago, and we prepared recreation composite plans as a basis for the authorization to program land and water conservation funds for use in these valleys. Our objectives were to maintain the ranching atmosphere and to provide for some additional development. Preliminary contacts with many of the private landowners in these two valleys indicated a willingness to negotiate the sale of easements to the Forest Service.

The acquisition of easements is consistent with the Teton County comprehensive plan which indicates that if these resource values are to be protected, the landowners must be compensated for these rights.

The recreation composite plans were approved by the Heritage Conservation and Recreation Service in 1978 and 1979. We immediately recommended inclusion of these two composites in the appropriation process for funding with land and water conservation funds. We anticipated a limited amount of funds beginning in fiscal year 1982 and continuing for a number of years. Even though we assigned a high priority to these acquisitions locally, the restrictive language in the Land and Water Conservation Fund Act, which stated that 85 percent of the area acquired must be east of the 100th meridian, reduced the priority of these areas nationally. With the restrictions on the use of land and water conservation funds, it became necessary to explore and develop other methods to acquire the interests we felt were needed to protect the lands in the Gros Ventre and Buffalo Valleys.

We discussed the situation with the State director of the bureau of land management in Wyoming and also the district manager in Rock Springs. They agreed to authorize the Forest Service to utilize, as exchange base, lands they have classified for disposal through their planning processes. The lands identified are parcels in Rock Springs and a large tract of land in Kemmerer, Wyo. The Forest Service can use these BLM lands as exchange base to acquire easements on the private land in the Gros Ventre and the Buffalo Valleys.

Exchange negotiations began with the drafting of an easement which will control development of 1,200 acres of private land in the Gros Ventre Valley. The landowner has been involved in the development of the easement document. The Federal land in Rock Springs is being appraised by the Bureau of Land Management, and the appraisal for the easement will be initiated early in September. If the indicated values are mutually acceptable, we are hopeful that the exchange will be consummated within a year.

The exchange of an easement for fee as authorized by the Federal Land Policy and Management Act is relatively new, and easement appraisals are complicated. We believe that as we and the Bureau of Land Management become more experienced in the easement process, the length of time it takes to consummate an exchange will be reduced.

Even with emphasis being placed on alternatives to purchase lands or easements, there may be a need for a limited amount of appropriated funds. Present laws require that the value of lands or interests in lands being exchanged be of equal value. If they are not

of equal value, they must be equalized with the payment of money. There are also those cases where even with the involvement of third parties an exchange cannot be accomplished and purchase may be necessary.

Negotiated purchases within the Bridger-Teton National Forest utilizing land and water conservation funds total 795 acres—three properties. Each of the purchases has provided protection of water quality and access to and along excellent trout fishing streams, two of which are blue ribbon streams. Two of the properties provide key public access to hiking trails and back country recreation areas. All of the tracts are located within very popular big game hunting areas and are used extensively by the recreating public.

Thank you for the opportunity to present the status of our acquisition program. I will be happy to answer questions. In addition, I might mention I have Mr. Campbell from our regional office lands staff here and he can answer any technical questions on our land acquisition program.

Thank you.

Senator WALLOP. Thank you, Mr. Jackson, I appreciate that.

John Wilbrecht.

STATEMENT OF JOHN WILBRECHT, PROJECT LEADER, NATIONAL ELK REFUGE

Mr. WILBRECHT. Thank you, Mr. Chairman, and I appreciate the opportunity to participate in these hearings.

In order to clarify the purpose of the National Elk Refuge, I wish to begin by briefly reviewing some of the early events leading up to its establishment. In 1884, the first settlers moved into Jackson Hole Valley and by 1909 ranchers and homesteaders had settled on large portions of the elks' ancestral winter range. The greater parts of the lands in the valley were either used for crops or hay or grazed by livestock in summer months. This left insufficient forage for elk to winter on. Estimates of elk numbers wintering in Jackson Hole between 1887 and 1911 range from 15,000 to 30,000 animals. Inevitable conflicts between elk and ranchers developed and although the elk received some assistance from generous ranchers, it was on too small a scale to be effective. The only recourse left to the elk was to raid haystacks or die and as it turned out, they did a tremendous amount of both.

The severe winter of 1909 brought the elk situation to national attention as an estimated 20,000 to 30,000 descended into Jackson Hole. The plight of these animals was extreme and ranchers' hay supplies were threatened with complete destruction. The local citizens appealed for help and in 1910 the Wyoming Legislature appropriated $5,000 to purchase feed for elk. The supply was inadequate and many hundreds of elk died that winter.

Through the interest of the citizens of Jackson Hole, appeals for assistance were disseminated throughout the United States. In answer to these appeals, the Wyoming Legislature on February 17, 1911, passed a memorial requesting the U.S. Congress to cooperate with the State by making an adequate appropriation for "feeding, protecting, and otherwise preserving the big game which winters in great numbers within the State of Wyoming."

Congress responded on March 4, 1911, by appropriating $20,000 "to be made available immediately for feeding and protecting the elk in Jackson Hole and vicinity, and for removing some of them to stock other localities."

U.S. Biological Survey biologists, working with the local Wyoming game warden, investigated the elk problem and recommended that a refuge be established near the town of Jackson.

The National Elk Refuge was created by an act of Congress on August 10, 1912, which appropriated $45,000 for the purchase of lands and maintenance of a winter elk refuge. On March 4, 1913, Congress appropriated an additional $5,000 for the purchase of private lands and granted authority for inclusion in the refuge of public domain lands.

Negotiations began at once with private landowners. A series of Presidential Executive orders in 1914 to 1916 reserved 1,750 acres of purchased lands and 1,000 acres of public domain lands for the refuge. Thus, by 1916, the refuge encompassed 2,750 acres.

Depredation problems continued to plague local ranchers as insufficient hay was raised on these limited refuge lands and elk could not be prevented from eating their haystacks.

National attention was again focused on the plight of the elk. In Chicago in 1922, the Izaak Walton League of America was founded and the first major project on a national scale was the solicitation of funds from the people of the United States to purchase land as winter range for the elk of Jackson Hole. A total of $36,500 was raised for this purpose and in 1927 the league donated the purchased lands, 1,760 acres, to the Government for an addition to the National Elk Refuge.

By 1927, the refuge was 4,510 acres in size, still insufficient lands upon which to manage the elk herd and to provide food to prevent starvation and depredations on private lands.

On June 15, 1935, the U.S. Congress passed an act called the "Six Million Dollar Fund" which designated these moneys to be used to purchase wildlife lands throughout the United States. As a result of considerable public support given to the expansion of the National Elk Refuge winter range, approximately 16,000 acres of private lands were acquired.

Presidential Executive orders in 1935 and 1936 added an additional 3,222 acres of public domain lands. Recent land acquisitions—1972–79—have added 460 acres in fee and 45 acres in conservation easements. Thus to date, the total lands within the refuge is 24,289 acres. This represents about 25 percent of historic elk winter range within Jackson Hole.

Under current acquisition efforts, the significance and biological value of the National Elk Refuge is disproportionate to its size. The refuge provides critical winter habitat for up to 10,000 elk, approximately 60 percent of the Teton-South Yellowstone herd.

By the late thirties, with a few exceptions, most of the major tracts of land lying within the established boundary had been acquired for elk winter range. From that time to the present, land acquisition has been opportunistic as remaining tracts became available and priorities reestablished. As desirable tracts became available, acquisition was

not always possible due to changes in acquisition priorities nationally, limited funding, and speculative purchases.

The refuge is tightly contained within definitive boundaries; that is, U.S. highway, a river, the city of Jackson, and adjacent National Park Service and Forest Service lands. It is 98 percent completed, but the unacquired 2 percent is in two blocks that pose definite and different long-term problems.

The Fish and Wildlife Service has identified approximately 1,110 acres of private lands remaining within the approved boundary of the refuge.

I would refer you to the map over here. Perhaps somebody could turn that a little bit so the members can see it. It defines the 1,110 acres that remain private lands within the boundary.

There are about 700 acres on the north end of the refuge and about 410 acres on the southeast corner. A high priority has been put on the acquisition of several of these tracts.

On the north end, acquisition is intended to protect the integrity of the historic elk migration routes to and from summer and winter range. Here, one tract of 354 acres has been identified as being extremely vulnerable to subdivision development. The activity of people associated with adjacent development has a negative effect on the elk and their use of adjacent refuge winter range far beyond the few acres inhabited by houses. The Fish and Wildlife Service has been working very closely with the landowner in negotiating a purchase. The landowner is a willing seller and had negotiated a purchase agreement with the Service. This agreement expired December 31, 1980, because the Fish and Wildlife Service did not receive adequate acquisition funds. The owner has continued to express an interest in selling this land for the National Elk Refuge. However, if funds for purchase or other preservation techniques are unavailable, this land will most certainly be developed.

On the southeast corner of the refuge, three tracts totaling 390 acres have been identified as priority for acquisition because of desirable location, level contour, good soils, excellent availability of water, protection afforded by adjacent hills and their tremendous potential for producing elk winter forage. The acquisition of this property would increase the amount of winter range available to elk and subsequently reduce the dependence on supplemental feeding and its costs. In most winters, for example, supplemental feeding the elk is required because of the limited winter range. For example, on the average, we are required to feed about 8,000 elk for a period of 75 days at a cost of nearly $250,000. Also in this area are two small, 5-acre privately owned, undeveloped lots and the other is a 380-acre ranch. These lands lie immediately within and adjacent to the heart of the most desirable elk winter range on the refuge. In an effort to preserve this last remaining elk winter range and protect it from development, the Fish and Wildlife Service and the owner of the ranch have used "conservation easements" protecting 45 acres of the 380-acre ranch. In addition, within the last year, an option for 40 acres of conservation easements was negotiated with the owner, but funds were not available to complete it. Presently, the Fish and Wildlife Service is working with the owner exploring land exchange possibilities.

In summary, the preservation elk winter habitat for the refueg has included a variety of acquisition methods.

These methods are public land withdrawal, fee purchase, donation, land exchange, conservation easements, and fee purchases with life use.

There has always been strong local and national support for the preservation of the nationally and internationally unique and famous Jackson Hole elk herd. This effort would be futile without the continued patience and cooperativeness of the private landowners affected.

The Fish and Wildlife Service will continue to explore the use of accepted and innovative techniques for the preservation of the remaining critical elk winter range. I would be pleased to answer any questions this committee may have.

Thank you.

Senator WALLOP. Thank you, John. Next is Max Lieurance, State director of BLM.

STATEMENT OF MAXWELL T. LIEURANCE, STATE DIRECTOR, BUREAU OF LAND MANAGEMENT

Mr. LIEURANCE. Thank you very much, Senator Wallop, and I also appreciate the opportunity to be here and to discuss with you and the committee the BLM program for public land here in Teton County and perhaps more important, the potential for BLM support to other agencies having management responsibilities in this area. BLM, of course, is the minority Federal land manager of Teton County and perhaps the majority land manager in the State of Wyoming.

First off, I'll summarize the status of BLM managed public lands in the county and then discuss the land exchange process. BLM manages about 9,700 acres of land in Teton County. Of this, about 1,526 acres are located in the Alta area west of the Tetons. Lands in this area are administered by our Idaho Falls District under a 1972 agreement between our offices in Wyoming and Idaho to facilitate management in the area. Nearly 8,200 acres are located here in the Jackson area, and these are the lands I will discuss. Most of these lands are the omitted lands along the Snake River which are currently in litigation as to ownership. There are 225 acres of surveyed lands which are in public land ownership in the Jackson area. The balance was omitted from the original land survey as river bottom lands and islands within the flood zone of the river.

The issue to be resolved along the river is the ownership of about 3,236 acres of these omitted lands. It is the BLM's position that the lands involved are or were islands at the time of the original cadastral survey and were never surveyed. The remaining 4,800 acres of omitted lands are riverbed and sandbars and are not involved in the ownership issue at this time. But because there was no survey, there has been no clear legal way thus far to establish title.

The lands I'm talking about have high values for a variety of reasons.

1. High recreation values.
2. Class I fishery of national importance.
3. Important winter and summer bald eagle habitat.

4. Nesting location and migration route for waterfowl, especially Canada geese and sandhill cranes.

5. Limited habitat for whooping cranes and trumpeter swans.

6. Wintering area for 100 to 125 moose and winter feeding grounds for 1,200 to 1,400 elk.

The lands along this segment of the river are, for the most part, inaccessible because of private land holdings. We believe that public access must be provided in a manner that will protect or enhance the scenic and recreation values of the Snake River area as well as the continued protection of wildlife and their habitat.

When the title problems were identified, the adjacent landowners along the river asked the BLM to do the necessary surveys and to initiate legal action to clear the title question. At this time, two cases have been resolved by the court and one case has been heard, but no decision has yet been rendered. There are 77 other claims remaining to be resolved.

We have participated in several discussions concerning proposals to settle the lawsuits and will continue to meet with private landowners and discuss all offers. To date, there have been three settlement offers and we feel that we have an obligation to resolve this matter in a fair and equitable manner. However, settlement offers advanced so far by the private claimants have not, at least in our view, been fair and equitable.

The sand and gravel resource on these omitted lands is important to the growth and development of the community. Over 300,000 cubic yards of sand and gravel have been sold from these lands since 1963. Projections predict a need of up to 300,000 cubic yards per year in the future. Materials are usually taken directly from the riverbed rather than from gravel terraces and moraines which have high visual sensitivity. Removal from the riverbed can be done so as to protect environmental values of the river. Also, the gravel resource is renewed during the annual spring runoff. Proceeds from sand and gravel sales on lands involved in the lawsuit are deposited in an escrow account under the court's jurisdiction.

The BLM surveyed public lands in the valley are generally wooded and isolated small tracts. One tract is being used up for community purposes under the Recreation and Public Purposes Act—specifically, a sanitary landfill to service the area.

In addition to the 9,700 acres of BLM-administered public lands, there are about 40,850 acres of public mineral estate under private surface in Teton County.

These are some of the key issues to be addressed regarding BLM-administered public lands in Teton County:

One. Loss of public access and other values along the Snake River if omitted lands convert to private ownership.

Two. The importance of gravel from the river due to rapid community growth and development.

Three. The identification by the town of Jackson and Teton County of a parcel of the omitted lands near the west end of the Wilson Bridge for an equipment storage area in the event litigation is decided in favor of the Government.

Four. The fact that this area is within the Overthrust Belt oil and gas development region. Such development on the private surface/Federal mineral estate could cause major conflicts.

BLM is also involved through the land exchange process in proposed land acquisitions by the Forest Service and National Park Service and possibly the Fish and Wildlife Service. Inholdings of private or State lands, or interest in lands within the park, national forest, and Elk Refuge, may be acquired through an exchange for BLM-administered lands identified for transfer out of Federal ownership elsewhere in Wyoming.

We are currently assisting in the Forest Service, as I mentioned, in efforts to acquire scenic easements along the Gros Ventre River by considering exchange for BLM lands needed for community expansion in Rock Springs and Kemmerer. About 100 acres are available at Rock Springs and about 1,000 acres at Kemmerer for this type of exchange and there are possibilities near other communities.

The State of Wyoming owns just over two sections within Teton National Park. An exchange can be considered to enable the Park Service to acquire these lands provided agreement can be reached on the values of the State lands and the public lands that the State may select. Such an arrangement can also be explored for private land inholdings within the park and Elk Refuge. And I might say that last week, we began negotiations with the State of Wyoming to talk about the exchange of State lands within the park.

Lands which may be considered for exchange to private and State ownership include areas needed for community expansion, isolated tracts which are difficult to manage and have no special public values, and lands in checkerboard areas where Federal and State management programs can both be enhanced by blocking up ownership.

BLM supports and uses the concept of land exchanges in acquiring and protecting important resource values where it can be done without giving up other equally important resource values. The Bureau is committed to giving priority to mutually benefiting exchanges with Western States, to conveying approximately 606,000 acres of in lieu lands to those States, about 1,000 acres remaining here in Wyoming, and as I've already mentioned, conveying lands to communities for needed expansion and growth.

Land exchanges are an appropriate and useful tool to improve multiple use management of the public lands. While public lands have been used for exchange purposes to round out the "Federal Conservation estate," we must insure that using exchanges to eliminate existing private inholdings in the national park clearly outweighs benefits to the public achieved through the general policy of multiple use management established by Congress in the Federal Land Policy Management Act.

Some constraints which we believe should be considered in any exchange proposals include:

One. Important multiple use values on the public lands should not be exchanged for single use preservation.

Two. Land patterns should not be fragmented so as to cause management problems.

Three. Substantial disparity in acreage between Federal land disposed of and private or State lands acquired should be avoided (5 to 1 or more begins to be questionable for a variety of reasons).

For some time, a task force within the Interior has been examining a variety of alternatives to fee acquisition of lands, and much effort has been given to improving the exchange process. BLM, Forest Service, Fish and Wildlife Service, and the Park Service are currently reviewing the land acquisition and protection process.

We are looking for more cost effective ways of acquiring and managing lands, and are exploring practical, cost effective alternatives to direct Federal purchase and fee acquisition.

Finally, we suggest that all Federal agencies identify lands which may be used as trading stock as is being done by the BLM in its planning process.

We appreciate your efforts in providing a public forum—both in Washington and here—for discussion of land protection policies and alternatives, and we look forward to a continued dialog.

Thank you.

Senator WALLOP. Thank you, Max, and thank you all. I want to say something, not by way of criticism but by way of recognition of a problem; that is, the traditional approaches to protection or to resolution of the land problem has created a certain inflexibility and a lack of creativity which is not your fault. It's just simply the way the system has grown up and the means by which your legislative authorizations exist. And that lack of flexibility involves the concept that the public purse is the sole means by which you can approach some of these things. I don't mean to minimize the difficulties of changing it, but I really think that it's worth noting.

The State of California, in their Coastal Commission, came across some pretty interesting concepts. They bought a lot of land and attached the appropriate easement and then sold it back, feeling that there was no need for them to possess it once they had achieved the protection they wanted. And, typically, their experience was that they recovered between 70 and 90 percent of the purchase price of these lands. When returned to private hands with the easement attached, it does two things:

It establishes the value of easements in a reasonably similar area which makes life easier than going through a long drawn-out period of fee acquisition.

It also does another thing. It recognizes clearly the value of private holdings to the tax base and to public land management.

Listening to you, I'm particularly disappointed the State didn't see fit to participate in these hearings because several of you mentioned that the State holds land within the park and you're talking about the possibilities of exchanges. But there are other ways in which the State can help be creative and unless this is a community dialog between local government and State government and the Federal Government, much of what we do here today will be lost in the wind anyway.

It occurs to me that lots of times a creative local government will get a group together to achieve through private means what is the public

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purpose. It occurs to me, also, when you're talking about minor inholdings, and I don't mean to minimize their importance as you described them, John, but perhaps one of the major conservation groups might be interested in the cooperative attempt to do just what I said that the California group had done. Because it isn't necessary, I would think, to go to public ownership to achieve the Elk Refuge's purpose if the protection can be provided another way and there would be some value bestowed to Teton County and certainly to the people that own them. And perhaps that kind of a purchase could be made—not with public funds but with, you know, the Nature Conservancy or a similar group with the idea in mind that having attached the easement, the land would be put back to private ownership. Do you see any merit in trying to achieve some kind of flexibility for you in those areas.

Anybody care to comment?

Mr. STARK. It's a feedback or sellback of something I've heard of before, certainly, but the particular twist that you put on it is a new and unique one that I had not heard of before. And I think, certainly, it's something that all of us probably have pondered and offers some definite possibilities.

Senator WALLOP. Would you be prevented in any of your agencies, to your knowledge, from accepting the gift of an easement from the likes of the Nature Conservancy if they, through arrangements with you, identified the value to be protected, acquired it and resold it on the public market?

In other words, in both the Elk Refuge and the forest, what if there was a lack of funds available to complete certain purchases and yet you had a willing cooperative seller. What would happen if one of the major groups, foundations in the country, were to buy the land for you, give you what was needed with the idea in mind that their gift would be limited finally to what could be recouped. Would you have the flexibility to accept if that were to take place?

Mr. WILBRECHT. I would assume that your organization would certainly look at it and see if they did have that flexibility. I think from the standpoint of the National Elk Refuge and the tracts needed, perhaps the use that would be prescribed after the acquisition may be so restrictive as to reduce the value to the point where it really wouldn't pay off.

Senator WALLOP. But the point of what I'm saying, and I emphasize I'm not saying it by way of criticism, would simply be recognition of a gift. It hasn't been tried.

Mr. WILBRECHT. That's correct.

Senator WALLOP. And nobody knows. It seems to me that because it hasn't been tried and it might be too restrictive doesn't give us the reason for not making an attempt and at least thinking outside the lines of the traditional boundaries where we've always operated.

Mr. WILBRECHT. I agree with that. I think that in our case that there would have to be some flexibility on the part of the agency in looking at the particular land and trying to accommodate the private interests.

Senator WALLOP. From our hearings in Washington, your agency has had more experience and has exercised more flexibility. I don't know whether their authorizations are that different, but I think in

the acquisition of wetlands in the country that the Fish and Wildlife Service has been very creative regarding exchanges and easements.

Reid, do you know, is there a statutory restriction to that kind of approach?

Mr. JACKSON. Senator, essentially what you're talking about is the donation of what you might call a scenic easement, and we can't accept donated scenic easements within the national forests. Our policy in this area, because of the concern of limited private land base in the valley and the desire to keep as much of this land in production for cattle or whatever, is pretty much in tune with the management of the national forests. We can definitely live with easements in all of the inholdings on the forest. In fact, they complement the national forest management.

For the most part, the private land in the Gros Ventre and the Buffalo Valley are owned by people who run cattle on the forest or who have base operations for outfitters. Outfitter camps have provided a service to the public using the national forests, and I don't know of any laws that would prohibit us from accepting easements of any kind.

Senator WALLOP. My point is are you administratively or otherwise restricted from going outside the traditional concept of dipping into the public purse to acquire land for preservation purposes, or is it just because it's always been the way we've done it that we feel it's necessary for the Government to buy the easement or buy the land. If you wanted to, could you approach one of those groups to achieve that purpose?

Mr. JACKSON. I'm sure we could, Senator, and would be real happy to work with them. Most of the conservation agencies we would work with such as the Nature Conservancy have acquired scenic easements here in the valley and have donated easements outside the forest and I assume they could do the same in the forest.

Senator WALLOP. I'm talking about a little more creative way of establishing that value so that the rest of your acquisition program has some relevance too.

Mr. JACKSON. The scenic easement value varies a great deal, depending on how much of the development right you acquire.

Senator WALLOP. But you never know that. That was the thing that was startling in the California experience. Nobody ever knew what that value was. And, typically, when they started, they thought the value of the easement was approximately 90 percent of the value of the land, you know, of the fee value. As it turned out, it was in most instances, 10 to 25 percent of the value when they sold it back to the private market.

Mr. JACKSON. But, Senator, it's my understanding that it can vary all the way from 10 to 90 percent, depending on how much of the development right you want to acquire.

Senator WALLOP. It can, but you never know that until you restore it to the private market. And if all you're after is the acquisition of the easement, you establish a different market than if you approach it from the other beginning point, you know, and that's one of the things that I was interested in.

There is another question, Max, in your statement on page 2, you say:

The lands along this segment of the river are, for the most part, inaccessible because of private land holdings. We believe that public access must be provided in a manner that will protect or enhance scenic and recreation values.

And in that particular instance, that may be true. But in every instance, is the national purpose public access or is it simply the preservation of something of value?

Mr. LIEURANCE. Certainly not in every instance and I think, perhaps, that was a little awkwardly worded. I meant to say: If public access is to be acquired—let me find the statement.

Senator WALLOP. It's on the bottom of page 2, the last sentence, and then the top of page 3.

Mr. LIEURANCE. "That if public access is acquired that it be done in such a way that will protect or enhance scenic and recreation values of the river."

We are not saying that public access is necessary everywhere.

Senator WALLOP. Yes; I think maybe sometimes you don't have to have the sum total of the spectrum of possible uses in mind.

Mr. LIEURANCE. Certainly not. That can be a detriment.

Senator WALLOP. Yes; and, Jack, I don't think that anybody disagrees in any respect with your statement that private lands within the park for uncontrolled development are contrary to the public's wishes, but that isn't the only alternative to public lands or private lands within the park boundaries. Somewhere in there, there must be——

Mr. STARK. That's right, and that's been one of the big problems, really; if you allow a little development, so to speak, then how can you say no to someone else or some large development?

Senator WALLOP. I think you can, under the very purposes for which the park was set aside in the first place. I think subsidies could be granted, and I don't think it is particularly contrary to the idea or concept of private ownership as long as some respected and reasonable private use is tolerated.

The same thing is true if you own a plot in the middle of a city someplace. You can't, just because you own it, put a Holiday Inn on it. If it's zoned residential in the middle of the city, you don't get to do that. I guess again what is troubling me throughout these hearings with public land managers is the concept that their flexibility is either so totally limited that the acquisition is the only alternative or, barring that, that they have to turn it over and allow any conceivable use. Somehow, I don't think a statutory limitation exists on the management of areas. But if it does, maybe we ought to deal with it by way of some kind of remedial legislation rather than again go to the purse.

Mr. STARK. Well, I think certainly the service probably could be more flexible, but it does propose a problem once you allow a development, you know—where do you cut it off, so to speak?

Senator WALLOP. Well, it depends what you call a development. There are all kinds of connotations for that in a room like this and an area like this, but a development could be a cabin for private use and not a subdivision or anything else. This is why I go back to the idea that perhaps there is a greater public value than one contemplates in an inholding with a reservation attached and which solves the problem.

And you mentioned it, actually, in the maintenance of tenants of right for a specified number of years or for life. And as a matter of fact, tenants of right are not necessarily damaging to an area. I don't know if they exist here, but they do in some national parks. Good ranching operations that are indeed compatible are as much of the historic value of our parks as the scenery itself.

I really do appreciate all of you taking time to be here this morning and, obviously, we will work with you and try and provide flexibility such as we can. I have to make the statement again that it's unfortunate the State isn't here. I believe this hearing can be most creative when there is a community of interests, the Federal land managers and the State and local governments trying to achieve what is a common purpose.

Let me ask you one last thing: with regard to interagency transfers and your legislative authorities, is FLPMA, or any of the laws a a real impediment to your process and, if so, can you identify which areas should be made more flexible?

Mr. LIEURANCE. I'm not aware, Senator, of any real impediment. I think we have, basically, pretty much all the authority we need to get involved in these kinds of land exchanges and land disposal process. There may be some policies in the past we have to deal with and, of course, the ever-present capability to do it is still a problem.

Senator WALLOP. Are the timeframes too restrictive for you to be useful?

In other words, your appraisal process and the limited time in which it applies versus the difficulty.

Mr. LIEURANCE. There have been some problems with how long an appraisal can remain current. And whether that will continue to be a problem—of course, with the way land values are, that has been a problem in the past, where we have to update an appraisal every 6 months and especially if they were complicated and some of these are going to be. It's going to take a long time and we may have a little problem with the appraisal, but I think we can probably work around that, I hope.

Senator WALLOP. In that case, both the inventory and the reduction of the authorization backload would help you quite a lot, and if you knew for a fact that whatever means were available wouldn't have to be devoted to something that was authorized 8 or 9 years ago, it would probably be helpful.

Mr. LIEURANCE. Absolutely.

Senator WALLOP. Thank you all very much, and I appreciate your willingness to be here and share with us experiences that you had right here in the valley.

We are going to have a 5-minute break while the reporter changes paper.

[Whereupon, a brief recess was had.]

Senator WALLOP. Could we come to order, please? There are a significant number of witnesses left to testify and if we could have some order in the room, I would appreciate it.

The next witness I am delighted to welcome. Here is my friend and colleague from the Wyoming Legislature, and I happen to think he's one of the more creative legislators that this State has been privileged to have, John Turner, and I welcome you here and I'm anxious to hear what you have to say.

STATEMENT OF HON. JOHN F. TURNER, STATE SENATOR FROM THE STATE OF WYOMING

Senator TURNER. Senator, on behalf of the residents throughout the valley, I would like to welcome you to Jackson Hole and thank you for taking the time for this important hearing.

As many of us know, since the congressional breaks are taking advantage of perhaps Congressman who are on vacation to relax and perhaps go home, and I know your schedule has not allowed you any of those opportunities, but your concern and attention in coming here are timely.

Today, Jackson Hole faces an uncertain future. The long-term protection of the valley's overall integrity—its scenery, natural wildlife, and especially agricultural values can no longer be assured. Therefore, we have an obligation to look at recent trends and see if their continuance is in the overall best interest of the community, the State, and our Nation.

This current obligation coincides with a growing recognition that traditional means of protecting nationally significant areas are perhaps no longer appropriate. Indeed, we face a paramount need to curb Federal spending at a time when land prices in popular areas like these are escalating beyond all expectations. Then there is a justifiable resentment against past heavyhanded Federal land acquistions, practices and understandable opposition to expanding the Government as property owners. It is therefore timely to look at revisions in the Government role in protecting land areas like Jackson Hole. I congratulate you for your initiative in this area.

Hopefully, your efforts and input from the meeting like today will prove productive.

New and creative strategies are needed for resource protection. Since problems are often complex, it seems that we need to look at a multitude of approaches. With your indulgence, I would like to discuss two general areas. The first is to outline for your interest and review a proposal before the State of Wyoming to create an investment program to maintain and improve our important agricultural, recreational, and wildlife resources. The second area of my comments relate to possible and future Federal actions.

This State proposal plans to build a wildlife, recreational, and conservation trust fund using existing severance tax revenues. The basic philosophy of the sponsors of this fund is to use current revenues from our depletable mineral resources and invest them into renewable resources which seem essential to Wyoming's way of life and rounded economy. This program, if adopted by the State legislature, would allow Wyoming to become a partner in future efforts with the Federal Government, private and local efforts to protect important agricultural, recreational, and wildlife values.

The elements of this program are to appropriate only the interest from the fund into two areas. Half of the funds would be used for improvement and expansion of our State park system, restoration of historical sites and assistance to local government entities for community recreational facilities.

The other portion of funds would be dedicated to improving and maintaining wildlife habitat, improving fisheries and assisting with

State water storage projects where recreational and minimum flow benefits would accrue.

Our primary thrust of habitat acquisition would be voluntary purchase of wildlife easements. We chose the easement and development right concept because it seems to offer public land interests the most workable land management tool available today. It offers landowners a voluntary and economic alternative to development. Lands remain in private ownership, can be bought and sold in the private sector. The lands continue to produce taxes and products. Easements are flexible and by their nature, must be tailored to meet the needs and existing uses of the landowner. Public values are protected but not "on hands" public use of such land. Easements are legally stable and public maintenance costs are minimal.

I might also add that with this trust fund, we are now considering the possibility of adding some additional investment funds to be used for direct compensation to ranchers for forage consumed by wildlife. This new precedent can be viewed as an investment also in our future. Wyoming's farm and ranch lands, and their excellent stewardship, contribute substantially to the well-being of our State's unrivaled wildlife resources. Hopefully such compensation for wildlife use would be another incentive for ranchers to perpetuate present uses of their private lands. Being a rancher, I know you understand very well the severe financial burdens facing many of our Wyoming stock ranchers.

The creation of a permanent wildlife, recreation, and conservation trust fund offers exciting possibilities for Wyoming's future. This type of investment or receipt from nonrenewable resources into renewable resources seems to reflect some of the best and most justifiable uses of State mineral revenues. Perhaps it is also a wise philosophy for the Federal Government.

Obviously, the American people have an investment in Jackson Hole and a vital interest in its future well-being. Although many of these roles must change, Federal attention is still appropriate and needed in Jackson Hole. The following ideas for possible Federal efforts relating to the valley are certainly not my own. Many have already been mentioned before me. However, I would like to offer a combination of concepts which might provide a rough and preliminary framework which could be molded into an economical, innovative and even a bold new approach for protecting the unsurpassed natural resources and agricultural values of our region.

The initial step in this scenario would be congressional designation of this greater Yellowstone and Jackson Hole complex as a national area of outdoor resource significance. This could easily be done in a manner similar to the current Federal registry process for significant historical areas. Within the structure of this national designation, I believe that a variety of meaningful efforts could be put in place.

It would be recognized that preservation of agricultural lands within the classified area is a primary goal and definitely in the national interest. Donations by individuals or corporations of development rights, easements, land or actual funds would receive special tax credits—perhaps even beyond the current 10 percent of the new Federal law.

A public land trust for the designated area would be established with the primary purpose of protecting the remaining ranch lands. The trust would be administered by a board with national, State, and local representation, and the board would investigate needs and establish priorities. Local members would include business, rancher, and public interests. The land trust would be authorized in a special trust account which could receive revenues from gifts and a variety of other revenue sources. Hopefully, these other sources would not necessitate any sizable appropriations from the Federal Treasury.

Some other sources of funding that might be worth while to consider would be an added and earmarked amount to current user fees for Grand Teton National Park, concession fees from commercial operators now conducting business on Federal lands within this designated area, present and future agricultural lease fees, receipts from any Federal lands transferred to private interest and local government, and even any possible Federal mineral receipts which might eventually come from within the area. Since public funds are involved, final authorization of the Board's expenditure recommendations could well come from the committees such as are represented here today in the U.S. Congress.

Like with our proposed State program, the primary thrust of the land trust would be to protect lands with land exchanges, acquisition of easements, and donations. No powers of condemnation would be authorized.

All Federal agencies operating in the area would be asked to cooperate by immediately inventorying and then making available possible lands or other rights within their jurisdictions for transfer to area landowners for compensation. The present and restrictive exclusion of out-of-State transfers in the Federal Land Management Policy Act should be considered for amendment to expedite better use in this particular region. Also higher equalization payments than the current 25 percent of Federal land values should also be considered. In addition, Congress could assist this and other programs by clarifying what appears to be complicated, complex, and overlapping land exchange authorities in current laws. This agency land inventory might well coincide with the Interior Secretary's proposal for reviewing possible Federal land transfers to State and local ownership. Of course, in this entire effort of the private sector, we would encourage the realtors, experts, attorneys, and of course the landowners themselves to become involved.

An obvious problem facing ranchers in Jackson Hole are the crushing burdens of current estate taxes. You deserve our hearty thanks and congratulations for your leadership in striving for some long overdue revisions in this area.

With congressional recognition of this area as possessing unique outdoor, recreational, wildlife, and agricultural values of national significance, it would also be critically important for Congress to direct all Federal agencies operating within the area to conduct their activities in manners compatible with the recognized values of the the designation. Agencies such as the Forest Service and the USGS would be expected to continue to fulfill their uttermost responsibilities such as timber harvesting and mineral extraction, but such activities

would operate within the priority and value maintenance framework of the area designation.

In conclusion, it is obvious that we meet here today because Jackson Hole and the surrounding lands make up a cherished place—for us as local residents, for Wyoming citizens, and for the Nation's even the world's public. We all have a real responsibility to perpetuate its irreplaceable values. Yet, if we carefully weigh this responsibility and take an honest look at recent trends in the valley, it would reveal, at least to me, that our current efforts at the local, State, and Federal levels are not to be alluded. The partnership efforts do not seem to be working.

I am personally saddened by development changes within the valley that are subtly, but seriously whittling away our ranch lands and a traditional way of life. We can all be grateful to those ranchers who, to date, have made the personal choice, although for some very difficult, to continue their ranching operations.

Wyoming's problem-solving and opportunity-making efforts often seem to be preoccupied with our important role of energy development. Wyoming should and will continue to contribute in a major way to our Nation's serious energy and economic dilemmas. However, this priority should not be absolute in our considerations or actions. Wyoming's valuable resources of agriculture, natural areas, recreational opportunities, wildlife, and wildness are essential to our lifestyles and diverse economy. I strongly believe that these renewable resources will prove to be at least as valuable contributions to the long terms and future well-being of our Nation as today's extracted nonrenewable resources. With a combined commitment to many of the strategies, we will have the opportunity to discuss today, perhaps we can insure that this region's contribution will be insured for future generations.

Thank you again for your being here and considering the input of the valley's residents.

Senator WALLOP. Thank you, John, for the interesting and challenging statement. I do agree with one point very much and that is, that the obligation to maintain and preserve is not solely a national obligation. It has a State and local and private individual obligation that's carried with it. I guess, again, part of the reason why these workshops have attracted the interest of all of the groups that they have, is the recognition that we cannot simply look at the signature on the bottom of a Federal check to resolve every problem that exists in the country.

I have two questions: What, to date, has been the reaction to the State plan of which you spoke, the Trust Fund, Wildlife Trust Fund concept? Has it been in front of the legislature? Have you had hearings on it or anything?

Senator TURNER. Senator, we introduced it in the last session and it did pass the State senate and it died because of maneuvering in the final hours of the general session. We felt we had a majority vote in the House to pass it, though that was not tested. We are now conducting a review with the committee on which I serve, the travel, agriculture, public lands and our Water Committee. We have had several hearings, and I am gratified of the support.

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Part of the opposition seems to be agriculture's resentment of past activities with our State, being the Fish Department, and perhaps this is a vehicle for expressing those frustrations. It is my hope that with added compensation for what continues to be a problem with ranchers in this area and their tolerance with all of the local wildlife consumption, of course, goes down in severe economic times, that if we can help bridge that problem that, in fact, we will have support in all sectors of Wyoming community.

Senator WALLOP. Have you recommended changes to the proposal that was introduced to alleviate those fears?

Senator TURNER. There have been very few suggested amendments to the bills that passed the State Senate. The one addition that I think is important, we consider, is some added funds to compensate ranchers for the first time in Wyoming's history in an equitable way, hopefully for forage consumed by wildlife. That would be the major change which——

Senator WALLOP. You might recollect in the State legislature that there was a good deal of resistance other than from the agriculture community with that concept. I can remember one or two State senators, specifically, who thought there would be nothing that goes to the ranchers except the privilege of supporting that wildlife resource.

Senator TURNER. That may be a problem, though I'm pleased with the support that we've had from a wide range of interested groups.

Senator WALLOP. Is it part of the concept of the Trust Fund that it's to be used for matching funds with land, water, conservation funds?

Senator TURNER. Well, we are still in the dark on what the final action on that fund may be. If it was eliminated, then the State funds would match the local funds. It is planned that if some limited funding will still be available for our Recreation Commission for grants, then the State might be joined with local and Federal management.

Senator WALLOP. The recommendations for the land, water, conservation funds are not permanent in any respect. They simply recognize a problem that is acute within the National Park System as it exists today. Because what we have is the backlog of authorization. We also have $2½ billion backlog of just safety and health standards work in the national parks. So that's a temporary thing. I don't know that anybody proposed it to be a permanent thing.

Senator TURNER. That need is valid in our national parks.

Senator WALLOP. But this would be from the State's side of the fund. I think, perhaps, it would be a useful consideration.

Turning to your national wildlife resource protective area—or whatever the title is—have you given thought as to how that would be defined? Because ultimately that would depend on the amount of backing or lack of it. We've got two committees here and one of them, the Finance Committee, has an obvious interest. As I stated earlier you don't simply acquire or permit people to give things which are not of specific value to the country and I think the definition would be pretty critical before you could get any of the tax advantages that you were speaking of.

Senator TURNER. Whether or not such a designation would be feasible is, of course, what kind of support for it would be, first of all, generated here. As you have appropriately reflected, what kind of

support, what kind of land might be included. But having viewed the Federal registry process for historical sites, that seems to be a process that at least has worked in the past and it might be applicable to unique natural areas, also.

I don't think the definition would be that extensive nor do I think there is a need at that step for Federal funding.

Senator WALLOP. You know, my experience has been such that you start with the general good idea—and I think Cliff would back me up on this—and that is, there is no Federal funding contemplated and there is no broadly conceived national application. Then all of a sudden it works one place and it works in another, but they don't have the money and resources and desire. So my guess is that one of the things that we would look to you for some help on is how to defiine the purpose and dimension of such a designation. If you could work on that, you know, I think the delegation would need that kind of a concept. And as I stated earlier, I think you need to have some concensus, political concensus within the area before much of that would be achievable, just from a realistic standpoint.

Senator TURNER. Senator, I am certainly no expert on domestic tax credits and designation, but it just seems to me that it is a concept that's worth considering and recognizing.

Senator WALLOP. I don't quarrel with that and I'm not asking you to define the tax concept, but I think a definition for the concept of the national wildlife resource protection area or—I can't remember the exact title you gave it—would be helpful. I think, really, we have to have everybody thinking of it as the same thing before approaching Congress. That way you have people viewing it from all sides and having the same understanding what it ultimately seeks to do. But I would be happy to hear from you on it and I thank you very much for coming here today. I appreciate it, John.

Senator TURNER. Thank you, Senator.

Senator WALLOP. Next are the Teton County commissioners. Muffy Moore, chairman; Jerry Tracy and Max May.

Good morning. Welcome.

STATEMENT OF MUFFY MOORE, CHAIRMAN, TETON COUNTY COMMISSIONERS

Ms. MOORE. We would like to thank you for this opportunity to speak and for your continuing interest in our beautiful county.

It has been nearly 4 years since the scenic area bill was introduced by you in the Senate—and three since it was passed in modified form by the House. During this time, our county has continued to experience a growth rate of about 12 percent yearly, and land has been subdivided at an average rate of 3 acres every day. In January of 1978, our comprehensive land plan became law. This plan includes performance standards, environmental protection districts, zoning and subdivision-regulations, and a county scenic trust which can own property in fee or by easement.

The goals of the comprehensive plan include protection of the environment and the scenic setting of the national park, the preservation of the ranching economy of the county, but questionnaires showed that county residents felt that landowners should be compensated

for limitations on land use whose purpose was to protect scenic resources. The commissioners agreed, particularly in view of the fact that 86 percent of the privately owned land was held at that time by only 132 people; it was felt that it would be unfair to require that that small group bear the burden of protecting the setting of the national park for the benefit of the Nation's tourists.

The comprehensive plan does have a planned unit development provision which allows a density bonus if 50 percent of the land of a subdivision is put into permanent open space. This is being used more frequently and at present there are 827 acres whose open space easements are held by the county trust, and more are held by other organizations. But in adopting the county plan, we never thought the county could accomplish the job of scenic protection alone; the scenic area concept was a critical part of accomplishing our goals. It was not just that we do not have the resources locally, as the 97 percent Federal ownership of the county's lands leaves us with a low tax base; we felt that since it was Federal lands that both provided the impact and that needed the protection, that the Federal Government had an obligation to help us get the job done. Teton County was doing its share in attempting its land use regulations.

All this was 4 years ago and two elections ago, and as Tony said to me yesterday, it wouldn't be Teton County if everybody agreed with everybody else. We are noted for hearing hundreds of differing, firmly held opinions on almost every subject. The present board of commissioners does not agree with the last one, nor do we agree with each other about many points of scenic preservation in Jackson Hole.

Our board does agree, however, on a few things. We support land exchanges in dealing with inholdings. Perhaps an administrative directive could simplify and expedite the process, which is now so cumbersome as to make exchanges all but impossible. Cash equalization payments might be used also to make the exchange speedy and fair.

We support John Turner's wildlife trust fund wholeheartedly and hope the legislature has the foresight to pass it this year.

We are all aware of the problems being caused by estate taxes. The rapid rise of land values here has made the ranches here worth many millions of dollars, and even the more liberal estate tax bill recently passed, although a step in the right direction, will be of little help to many of our ranch families. Estate taxes will still be paid by subdividing, with disastrous effect not only in Jackson, but in other valuable farmlands throughout our Nation.

Speaking now for myself only and not for the board, I still support Federal help in preserving the unique beauty of Teton County. Although we have seen much subdividing in recent years, many of the lands listed as priority for preservation in 1978 are still undeveloped. I would like to see Federal, State and local cooperation in identifying and preserving scenic, wildlife and recreation values in Jackson Hole. Teton County should be recognized as a national treasure and an area of national importance. A package of alternatives for the landowner should be put together, which could presumably be used in other lands bordering national parks to provide a buffer zone. Among the land protection tools we might consider are:

One. Legislation to permit land exchanges in areas outside the park and park boundary.

Two. Further adjustment of estate taxes. Tax credits are a very powerful incentive, and might be given for conservation easements. Or perhaps a ranch might be taxed at its agricultural value if the heirs agree to keep it in agricultural use for a specified number of years.

Three. I would like to see a policy toward Teton County that no department or agency of the Federal Government should take any action or issue any license or permit which would adversely affect the scenic, recreational or wildlife values of the county. The time and energy which has been spent in this community and elsewhere in order to protect our beautiful Cache Creek area is impressive, but it should not be necessary if this is indeed an area of national importance.

Four. I would still support funding for purchase of easements on a willing seller basis. This is, in my opinion, still an important tool in open space preservation here.

Money should be for easements only, and condemnation must not be used. Use of easements keeps the land in private hands and the land on the county tax rolls. No Federal management or bureaucracy need be involved.

Frank Calkins, in 1973, wrote of Jackson's ambivalence between protection and profit, and noted that "half the citizens are trying to attract business that may ruin the natural values the other half are trying to save." I think that we are coming to a greater realization that those natural values are our business, and that tourism depends on saving the unique beauty and special character of Jackson Hole. For many, this is a compelling reason to protect open space and ranching. There are other reasons equally compelling, from concern over wildlife to protecting the public interest in adjacent public lands. I think we should help the rancher who wants to sell easements and stay in ranching, in doing what he wants with his land. We will all benefit by so doing.

Again, thank you for your time and attention.

Senator WALLOP. Thank you, Muffy.

Jerry.

STATEMENT OF JERRY TRACY, TETON COUNTY COMMISSIONER

Mr. TRACY. Thank you, Senator. As Muffy said, you will find very diverse opinions in the current board regarding this issue. Someone called me 2 or 3 weeks ago to mention that, and I told him I had a golf game and I didn't know if I would make it, but I did preclude that. Thank you again for coming, Senator.

I have read with interest the highlights of the workshop, held in Washington, on public land acquisition and its alternatives. It appears a great deal of discussion was held regarding this problem.

I am certainly not qualified to comment on this at a national level, but the following are my thoughts regarding the private lands in Jackson Hole.

I agree, with one-third of the Nation's lands publicly held, our country has achieved a significant preservation record.

With the public ownership of 97 percent of the land within Teton County, I question the need for any further Federal involvement to the privately held lands in this area.

If a landowner wishes to preserve his land in open space, there are many avenues open for him to do so. The Teton County scenic preserve trust is just one of these options. And as Muffy stated in her record, we are just now starting to see some significant plots of land up here in the trust.

The problems of adjacent lands to national parks and forests will always be there. The ownership of adjacent lands have created estate tax problems. It is not the ownership of the land that is the problem; it is the estate tax itself that is the problem. We all appreciate the work you have done on the estate tax revision. We hope you can convince your colleagues that due to inflation, over the recent years, land values have escalated to a point there is no way an estate of a landowner can pay the tax burden out of operations. This is a national problem for ranches and farmers and I might also add small business men, that need attention.

On the question of protecting the public interest, with the control of most of the land mass within our county, the Federal land managers can certainly protect the public investment and the integrity of the public domain without other Federal legislation.

I think it is important that we reassess our position on Federal land investment in any form. What are our priorities and what is the criteria for national significance? Identify these priorities and pursue these goals.

Thank you for allowing me time to make these comments.

Senator WALLOP. Thank you, Jerry.

Max.

STATEMENT OF MAX MAY, TETON COUNTY COMMISSIONER

Mr. MAY. Thank you for coming, Senator. First, I would like to state that I think that we could alleviate a lot of these problems by getting better cooperation from the forest service to the ranching community. The forest service is raising fees and taking rights of the ranchers away from them to the point where they are today inclined to subdivide. So naturally we are going to have this type of thing occur in our real valuable ranch land around here. I also feel that through the cooperation of the BLM for the lands on the Snake River, they started that land involvement thing, and through that they have created a lot of dissatisfaction. And I am much more inclined to say that I agree with Jerry that there should be no more Federal acquisition of ground in Teton County. We need the tax rolls and we also need the cooperation of the Federal Government to keep this where it is now, and I thank you again.

Senator WALLOP. Thank you. Is there, in the Jackson Hole trust, a plan by which you accept those things or do you accept any gift of an easement?

Ms. MOORE. The ones we've accepted so far have been easements that have been given to us in exchange for this extra density. We have to make a finding that there is some public benefit to be gotten by

those easements before we allowed the extra density. In general, we feel that an easement is a public benefit.

Senator WALLOP. Is that then an exchange for the extra density so you don't have another value attached to it for tax purposes?

Ms. MOORE. That's correct.

Senator WALLOP. In this way, then, it doesn't come into the tax picture, in a way the committee would be interested in.

Ms. MOORE. We have had at least one subdivision that gave us the easement without taking the bonus density, and I suppose to the extent that you didn't take that bonus, you could take the tax deduction.

Senator WALLOP. I guess it's clear to say from almost any perspective that the unique policies of the Jackson Hole Valley have been recognized pretty substantially by the Federal Government or you wouldn't be 97 percent owned. And it brings to mind the complexity of the issue of trying to balance the rights of ownership, the preservation, as you said to Max, of what is the value of the rest of the Valley and still provide for some flexibility in what somebody can do with his home.

There is little doubt in my mind that we have about run the course for a long time to come in the inheritance tax world because we have so substantially reduced the constituency for changes with ones that were just passed. You know, we have phased in changes from where in upwards of 70 percent of the people paid inheritance taxes down to about 3 percent. Three percent makes a very small constituency. It's not realistic to hope it will be reduced further. It makes sense, but I'm interested to note that in Canada, as long as there is a related child living and working on the farm or ranch at the time of death, there is no estate tax. And that is a matter of national public policy which is felt up there to be in the long-term national interest regardless of the size of the place or anything else. If there is simply a child there; there is no inheritance tax. It would be my desire to take that extra step, and I don't have any realistic expectations that the likes of my friend Moynihan or others would view that from a national perspective. They would think that was just something for landowners in Wyoming and a few other places.

Also, I want you to know that I appreciate being back in Teton County and knowing that there is a unanimity of position on issues of complexity. Rest assured, that should there be a matter of concensus amongst you, that we'll do everything we can to try to accommodate the Federal role, in that concept.

Thank you very much for your testimony this morning.

Now, the next is Paul Bruun, from the Town Council of Jackson, and Mayor Robert Shervin. Hello, Mayor. Welcome. Thank you for being here.

STATEMENT OF PAUL BRUUN, TOWN COUNCIL, JACKSON, WYO.

Mr. BRUNN. Senator and the town of Jackson, I appreciate the opportunity to have a tiny bit of input into what has become probably one of the most delicate and yet likely discussed problems in our area and this is an interesting situation because we have a town that is developed in its location a proximity with some Federal property which, for the past 5 years, has been somewhat of a problem as far as the land exchange situation.

Now, we do not have a prepared statement for you on this, but I have another statement that is separate from this, but at this point the town's planning to hand in a later prepared statement, but I wanted to make you aware that in the past, the town has moved for several land exchanges with Federal property, and the awesome encumberness that followed kind of mitigated the entire situation. And we felt at this time, for your information, because other areas of Wyoming, as you know, are growing a little bit faster than Jackson at the present time, that the land exchange situation which past town councils felt it was very advantageous was totally stymied, and at this time it's almost a dead issue, and we were hoping that consideration along these lines could be taken so that when one of these exchanges comes—and Senator Hanson was very, very active in helping pass enabling legislation for us to proceed with the project—and when it finally came about, the entire situation kind of fell apart and it took such a long time.

It took over 5 years in operation to the time when we sat down and started talking about property values that there was just no continuance; there was no consistency whatsoever. And I see as the growth of Teton County continues, the problems that we are facing, especially town and county problems with landfill sites, that we are going to need to get, with potential recreation areas that are adjacent to the town that might be put to a better use. And I'm speaking specifically of the Snow King situation right now, that we would just like to have you and your colleagues be aware of this so that perhaps in the future, an assemblance of immediacy are able to be treated in a little more rapid fashion.

Senator WALLOP. I would comment that I think that is the case, at least in attitude now. The new administration has a strong feeling about landlocked cities or communities that have problems. It isn't an issue with the National Park Service but certainly is with the Forest Service and BLM. There is an attitude that is important. When communities have a plan in mind for their growth or development, they should be accommodated a good deal faster than they have in the past.

We had a little problem with the inability to transfer Federal money from one Federal pocket to another Federal pocket that has bound us a little. But I think that at least it's the desire of the administration both those areas to move more quickly and flexibly in the presence of a plan that the city has or the community has for its growth or its needs. I don't think it will work if you just come up and say: What have you got that we can have? You have to know what it is you want and where it is you want to go and why, but we will work with you on that basis.

Mr. BRUUN. Would it be your recommendation, perhaps, that the town pursue this again and try to organize its plan, so to speak, because we were really quite despondent over the outcome and it was really not worth pursuing.

Senator WALLOP. Well, it would be my recommendation that you try. I can't speak for the other members of the delegation, but I certainly am willing to try and help any community in Wyoming seek appropriate action, and as you know, that concept was in all the management acts. I'll admit and I'll agree with you that it's not been

viewed by many of the managing agencies as an obligation, merely as an area of confrontation rather than a matter of national policy, but it's clearly a matter of purpose with this administration.

It's not only Teton County that has the problems. I mean, we have been successful in helping Green River getting access and we got good cooperation. And I hope Max is in the room to hear this, we got very good cooperation from the State director of BLM and we moved that thing more quickly than I've ever seen Federal agencies move, and we have a little bit of a track record. I don't minimize the complications but I think in the desire to try to make it work, it helps if you can note the purpose for which you want it.

Mr. BRUUN. Senator, on a second light, when I spoke with Mr. Bevinetto, I requested an opportunity to address this program on something slightly different than just town of Jackson problems, and with your permission, I would go ahead and continue in that vein.

In other words, with a different act, and so I'm sure that throughout this testimony for the preservation of everything in Teton County from wildlife habitat to the scenic corridors in Jackson Hole, you'll be hearing all about it for the rest of the day. And I'm pretty sure that since the private land ownership situation is a pretty serious issue, you will get more than enough thoughts on just what the landowners feel about their property and their future.

I have long been a proponent of some protection for a ranching community and the well-managed open space program that existed in Jackson long before I ever heard of Jackson Hole. Unfortunately, the reality of land protection and the economics of today are on a collison course. Because most ranchers I've met are particularly independent, any thought of Federal bailouts like so many other major industries have tapped the Federal Government for, probably would never happen, and I think that's basically because of personal pride.

But my interest in today's hearings is to attempt to speak for a population segment of Jackson Hole that couldn't make it today. This is a very special group in my eyes, and one that I believe deserves continued consideration. I'm speaking of the cutthroat trout of the Snake River, which is a unique subspecies of cutthroat that only survive naturally in our drainage. In terms of old timers, I think the cutthroat has most of the residents beat.

In recent years of studying fisheries throughout the West, it has been obvious that something called fishing pressure is usually not the cause of a decline in a stream's productivity. Although the Snake River tends to tear itself up dramatically every year during the runoff period, the cutthroat has managed to survive. But as more habitat damage is created, the trout begins to suffer.

Two facts in management of the Snake that have pretty well saved the day for the cutthroat so far have been cooperation between the Bureau of Reclamation in water level reduction from Jackson Lake Dam and the rejuvenation of spawning spring creeks adjacent to the Snake.

Currently, most of the finest spawning water for the native Snake River cutthroat is on private property. Landowner cooperation with the dedicated biologists of the Fisheries Department of the Game and Fish has, for the most part, been excellent. But as the economics of private land ownership change with the perils of the economy, these

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cooperative landowners may not remain in charge of these delicate trout nursery areas.

Every year many States spend more than Wyoming in simple stocking programs to rebuild fisheries that have been depleted. In the Snake, there is a natural nursery and hatchery program that if protected, will continue to preserve the high quality of recreation and natural glamour that the crimson and golden Snake River cutthroat offers.

It is my suggestion that in any land exchanges, estate tax credits and easement compensation discussions, that specific spawning spring creeks be considered separately and especially be rated as a very high priority in wildlife maintenance. In fact, if a weight factor be applied at some time, and you mentioned earlier of going to the Smithsonian or going to the National Archives of what a donation is worth, that these delicate spring creeks be double weighted in value, because that's how great their overall effect on the future of the Snake River trout population.

And I would say that an economic thing, since the gentleman from the Finance Committee is here, why spend money to rebuild a river population, to build hatcheries, to create reconstructive programs when, with some sensitive planning, steps to preserve such a population can be taken right now?

And I would add one other thing and that is that my interest in the spring creeks and my interest in the Snake River population is not so much for additional public access; not so much more use and more recreation, but because this is an integral part of a lot bigger picture, as I see it, and because the Snake River is a unique fishery and a unique recreation concept in this part of the country and in the world, in fact, I would definitely strive to help in any manner possible this continuing.

And I would like to have your consideration on this in whatever direction this entire private land easement situation goes.

And I thank you for the opportunity to represent one of my favorite special interests in Jackson Hole.

[The prepared statement of Mr. Bruun follows:]

STATEMENT OF PAUL BRUUN, TOWN COUNCIL, JACKSON, WYO.

Senator Wallop, I appreciate the opportunity you have provided today to listen to various land protection alternatives for Jackson Hole. I'm sure that you will hear plenty of testimony for preservation of everything from wildlife habitat to scenic corridors in Jackson Hole. And I'm pretty sure that since private land ownership here is a pretty serious issue, you'll get some thoughts on just what the landowners feel about their property and futures.

I have long been a proponent of some protection for a ranching community and the well-managed open space that existed in Jackson long before I ever heard of it. Unfortunately, the reality of land protection and the economics of today are on a collision course. Because most ranchers I've met are particularly independent, any thought of bailouts like so many other industries have tapped the federal government for, probably would never happen.

My interest in today's hearings, however, is to attempt to speak for a population segment of Jackson Hole that couldn't attend. This is a very special group in my eyes, and one that I believe deserves continued consideration. I'm speaking of the cutthroat trout of the Snake River, which is a unique sub-species of cutthroat that only survives naturally in our drainage. In terms of old timers, the throat has most of the residents still here, beat.

In recent years of studying fisheries throughout the West, it has been obvious that fishing pressure is usually not the cause of a decline in a stream's productivity. Although the Snake River tends to tear itself up dramatically every year during runoff, the cutthroat has managed to survive. But as more habitat damage is created, the trout begins to suffer.

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Every year many States spend far more than Wyoming in stocking programs to rebuild fisheries that have been depleted. In the Snake there is a natural nursery and hatchery program that if protected, will continue to preserve the high quality of recreation and natural glamour that the crimson and golden Snake River cutthroat offers.

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Why spend money to rebuild a river population when, with some sensitive planning, steps to preserve that population can be taken now?

Thank you for the opportunity to represent one of my favorite special interests in Jackson Hole.

Senator WALLOP. Paul, thank you. Let me again express my sadness that the State did not see fit to be represented here because that's an area where, obviously, State-Federal cooperation is critical before any classical designation of the kind you seek can be made. I don't say that they're not cooperating because I know they are. But it seems to me in a discussion like this where you're trying to find some alternatives and means to get to the goal—which is preservation of all kinds of things including a fishery that's valuable and unique, it seems to me their input would have been useful here as to how they relate with various levels of the Federal Government. And in this area particularly, it's their ability to identify the value that's important to the likes of the Finance Committee, as you suggested. Perhaps we'll get that in the form of written testimony. I think we will request it again. I appreciate your bringing that to the attention of the committee as we seek to look at the whole picture.

Mr. BRUUN. I contacted them yesterday and I wasn't able to carry on the discussion. I was on my way out, but I know that they are putting together some sort of policy on this and I think that they will be including it.

I would mention one other thing that is a subject which I contacted you personally on recently and that is the Johnson funds. And where you're talking about specific waters that I'm talking about, you get into not only trout populations and fish populations, but general wildlife populations which I think falls within the Smith and Robinson Act, and as I understand, both acts are currently trying to be expanded to cover more areas. Now Wyoming, because of our surface water conditions, are small compared to other States and because of the amount of money spent in the State on these excise tax products is not

of a gigantic value. I would say we have strongly been supporting the expansion of these two user carry taxes to pursue additional—not necessarily acquisition—but additional easements for recreation. And I would like to see somehow that this consideration be carried over into this spawning access as has been done in the Great Lakes and the wonderful fishery rejuvenation that happened up there.

Senator WALLOP. I don't have any quarrel with that. I think when people seek to preserve something that they uniquely use, they have an obligation to support it through whatever means is possible. I agree with it.

Thank you very much. Thank you, Mayor. Thank you, Bob. Do you have a statement, Bob? I beg your pardon. I thought you were letting counsel speak for you.

STATEMENT OF ROBERT SHERVIN, MAYOR, JACKSON, WYO.

Mayor SHERVIN. It kind of sounds like that's about the way it went. Senator Wallop and staff, I wanted to take this opportunity on behalf of myself and the town of Jackson to welcome you and to welcome you to these meetings. And I just had a couple of points that I might make.

I believe that our local ranchers and local property owners, I believe that they are people that are capable of doing their own business with their lands, I think that private property is very important to the economy of our valley. I think that in so many cases through the past years that Federal Government has been a very poor bed partner, and I won't dwell on it any. I'm sure that you'll probably hear plenty about that in the future.

As far as exchanging lands, I was born and raised here in this valley and I'll be damned if I want to share or trade any part of mine for Rock Springs or Kemmerer.

I thank you for your time.

Senator WALLOP. May I say that while we are holding this hearing here in Jackson and obviously it has implications for the rest of the valley, that it's not my idea that the only purpose of being here is to elate to the town of Jackson or Jackson Hole Valley itself. We really are examining on a national basis as a continuation of those workshops alternatives to merely simple fee acquisition, and when you get in an area that has the conflicts that obviously exist here, then those alternatives are likely to be a good deal more creative than they are in an area where it's still, you know, still a relatively cheap land base or relatively easy problem to resolve, and that's what we're here for. It's not to try to lay some Federal program on Jackson, or anything else, but look at the alternatives, to a simple signature on the Federal check to achieve what everybody I think in the room agrees is of value. I don't think anybody would think that it's a good idea to get rid of the spring creeks or the habitats. I don't think anybody thinks it's a good idea to destroy something of value. The question is: What other means besides merely have the Federal Government buy it are available to us, and I appreciate what you said and that's one of the reasons why we're here. Thank you very much.

The next is a panel, and then we'll braak for lunch. Karl Wagner of the Jackson Hole Alliance; Bill Ashley of the Jackson Hole Land Trust; Louise MacLeod, League of Women Voters; and Jean Hocker, Jackson Hole projects, the Izaak Walton League.

Karl, would you begin?

STATEMENT OF KARL WAGNER, CHAIRMAN OF THE BOARD OF DIRECTORS, JACKSON HOLE ALLIANCE FOR RESPONSIBLE PLANNING

Mr. WAGNER. My name is Karl Wagner. I am chairman of the board of directors of the Jackson Hole Alliance for Responsible Planning, a local land use planning organization with over 500 members.

I thank you, Senator Wallop, for coming again to the valley to hear our concerns about an issue that is so vital to preserving the unique character of Jackson Hole: That is the question of the future of open space and ranching on the private lands.

Jackson Hole's ranches set the tone for the valley and are essential to its special character. What happens to these lands will affect us all, including those who visit here, those of us who depend on the vistors for their livelihood, and those of us who live here and have the privilege of admiring the ranchlands each day. But the future of the ranches lies in the hands of the owners, who must contend with the pressures of rising costs, low cattle prices, and development on adjacent lands. Since your last hearing here in June 1978, the number of acres in subdivisions has approximately doubled—mostly developed from ranchlands. This is the inevitable result of growth, since there are half again as many people now living in the valley as there were in 1978.

For those of us who care about maintaining the special amenities of open space and wildlife, this trend is particularly frustrating because we have, potentially, the means for protecting these values, even in the context of normal growth and development. Jackson Hole is a national treasure and a national playground, and the valley provides the basis of our economy. Many in the community would like to see something done to enable ranchers to have the option of keeping their land in agriculture. Many landowners are willing to explore ways to continue ranching if they can benefit from the value of their land. We are very encouraged that many promising techniques for helping preserve open space emerged from your workshop in Washington. We believe that there is a vital role for the Federal Government in all this, not only because of the national importance of the area, but because so much of the value of the Federal investment in wildlife and scenery already made here hinges on the protection of certain key remaining areas. With your leadership, the process can start moving and help can come in time.

We believe that no one approach is going to meet the needs of those landowners who hold the critical acres. A range of choices must be explored and then given a chance to work. We are certainly not in a position to say what will work best in each case. We urge you to continue private conversations with landowners to find out what programs would be most effective for each of them.

I would like to address briefly two specific techniques that we hope you are considering.

We believe that the use of public-private land exchanges and land-for-easement exchanges has tremendous potential for Jackson Hole. There are problems, which must be overcome by your action. Foremost is the need to reduce the time involved in working out these exchanges. This is partly because the transactions are very complex and the personnel to undertake them has been very limited. There are also problems with the time required for making appraisals and with inventorying land available for "trading stock." I also understand that there may be limitations on exchanging Federal lands for lands outside authorized Federal areas, and there may be limitation on trades involved in lands in different States. These problems may need to be addressed through legislation.

We continue to believe that there is a need for direct Federal funding to protect certain key properties both within and outside of existing Federal reservations. In an area of such national importance as Jackson Hole, a willing landowner should have the option of selling to the government. With no money presently available to the Federal critical properties cannot be protected even if the landowner would like to sell. Congress should be urged to authorize limited release from the land and water conservation fund to permit acquisition of critical properties at fair market value. Congressional sanction of prompt IRS authorization of realistic tax credits should also be tried.

The Jackson Hole Alliance has been supporting efforts to protect open space for several years working through the county's comprehensive plan, through the efforts in the State legislature to establish a wildlife trust fund, and to enact open space legislation similar to that existing in many other States. However, these programs alone are not enough. Congress needs to recognize the national interest in this area and act quickly. We are asking for your help. You can make a significant difference here before it is too late. Your success and ours will be measured by what sort of permanent protection can be given in the next few years to the ranchlands, and the wildlife and scenic values that they maintain.

Thank you, Senator Wallop.

Senator WALLOP. Thank you, Karl. I would just say that both Cliff and I would testify to the fact that Congress doesn't move quite as fast as it did in 1911 when they made that recommendation in February and got the appropriation in March. That's a day we may never see again.

The next is Bill Ashley.

STATEMENT OF BILL ASHLEY, PRESIDENT, BOARD OF DIRECTORS, JACKSON HOLE LAND TRUST

Mr. ASHLEY. Senator Wallop, I am Bill Ashley, president of the Board of Directors of the Jackson Hole Land Trust. Materials describing our organization and board members will be furnished to the committee with our written statement. We thank you for the opportunity to express our concerns and our views on open space preservation in Jackson Hole.

The history of open space legislation in Jackson Hole is well known to you. With the demise of the scenic area bill in 1978, it became obvious that other diverse and innovative means of accomplishing open space goals would have to be pursued.

The concept of private land trusts in the United States is not new, and there are many, including the Nature Conservancy and the Trust for Public Land, that are active on a national or regional basis. The idea of a local land trust in Jackson Hole originated in the fall of 1979, and later, in 1980, a group of interested citizens pooled efforts to organize the Jackson Hole Land Trust, a local trust dedicated to the goal of preserving Jackson Hole's open space, scenic and wildlife values on private lands, by offering landowners a variety of alternatives in the private sector.

This trust is now a tax-exempt, nonprofit organization actively engaged in fundraising education, and the evaluation of land protection projects. The board of directors represents a cross-section of local residents and landowners, including several ranchers, business people, and professional persons, all of them sharing the common goal of land preservation by private, voluntary, fair-to-all means, without the direct use of Federal dollars.

How can the Federal Government assist us in this private effort to protect open space and agricultural lands in Jackson Hole?

One. By encouraging and simplifying land exchanges, whereby landowners in Jackson Hole can trade conservation easements here for federally owned land elsewhere in Wyoming which has lesser conservation value. The Land Trust may be able to assist this process through interim acquisition of easements or even by holding or monitoring the easements once the exchange has been completed.

Two. By increasing the income tax incentives to encourage donations of easements to organizations like the Jackson Hole Land Trust. Incentives could include increasing the allowable percentage of adjusted gross income which may be deducted in any one year for an easement gift; increasing the number of years over which the value of a conservation deduction may be spread so that more people could fully benefit from making such a gift; and/or granting a tax more people could fully benefit from making such a gift; and/or granting a tax credit rather than a deduction for the conservation gift, probably the most powerful tax incentive of all.

Three. By further liberalizing the special use valuation procedure for ranch land transferred on the death of the owner to a member of the owner's family who continues to use the ranch for ranching purposes. The Federal estate tax, as revised by the new tax bill, provides that the special use valuation procedure may not be used to decrease the value of ranch land in an estate of more than $750,000. Because of the high value of land in Wyoming, including Jackson Hole, the limitation, even as increased by the new tax bill, will continue to render the special use valuation procedure ineffective in achieving the objective of permitting ranchers to transfer their land to members of their families desiring to continue using the land for ranching purposes. A significant further increase in the amount of the allowable reduction is required to achieve this objective.

Four. By allowing credits against estate taxes for donations of conservation easements. This is another and direct way to ease the burden

of estate taxes for heirs of highly valued ranch lands. Allowing a credit against estate taxes for the value of an easement donated either by the landowner or by his heirs upon his death, would enable many heirs to keep the land and at the same time assure permanent protection of the land.

Five. By allowing Jackson Hole ranchers reasonable use of lands within Grand Teton National Park for spring and fall grazing, to the extent that this practice does not conflict with maintenance of Jackson Hole wildlife, in order to encourage these ranchers to stay in the business of ranching.

Six. By promptly issuing regulations implementing the law passed by Congress in December 1980 which made permanent the tax deductibility of conservation easement gifts; and by assuring that these regulations carry out the intent and the spirit of this law. Because the law for the first time defines what is meant by a "qualified conservation contribution," it is vital that potential easement donors, as well as receipient organizations, know exactly what will qualify and who will make those decisions. It is critical that the decisions be made by agencies who understand conservation values, that donors be able to obtain advance rulings where any uncertainty exists, and that the process be designed to encourage, not inhibit, the donation of conservation easements to organizations like the Jackson Hole Land Trust.

Senator, the foregoing are examples of Federal policies and actions that would assist private efforts to protect open space and ranching in our valley and throughout Wyoming. Jackson Hole continues to be a special place and the Jackson Hole Land Trust is eager to take up a role in keeping it this way. We are prepared to work with landowners, conservation buyers, and government in a concentrated local effort to balance development and open space on private lands in this area.

Thank you for your kind attention to our concerns. We greatly appreciate your interest in finding ways to protect pastoral lands in Jackson Hole and throughout Wyoming, and we thank you for coming here today to discuss the possibilities with us.

Senator WALLOP. Thank you for your statement. I would just say that, by way of some clarification, the estate tax provisions are much more generous than we perceive. You have $600,000 plus the $750,000, that gives you $1,350,000. If you divide that estate in which there is no estate between a husband and wife and you put it in two estates, then you have two $600,000 deductions. You get $1.2 million plus that $750,000 which leaves $1,950,000. Now, that's a fairly generous change from where we were in June of this year before that passed. I know it isn't perfect, but it's a good step in the right direction.

Next is Louise MacLeod. Nice to see you.

STATEMENT OF LOUISE MacLEOD, DIRECTOR, TETON COUNTY LEAGUE OF WOMEN VOTERS

Ms. MACLEOD. Thank you, Mr. Chairman. I am Louise MacLeod, a director of the Teton County League of Women Voters, and a longtime resident of the Valley.

On behalf of the league, I want to thank you for returning to Jackson Hole to further explore alternatives for maintaining open lands which will enhance scenic, wildlife, and agricultural uses.

Three years ago, at the hearings on the Jackson Hole Scenic Area bill, our organization strongly supported the concept of preserving open space in Jackson Hole. I am here today to restate our support for that concept.

During the past 3 years, development pressures and economic conditions have made large landowners even more vulnerable to subdividing their land for lack of any alternatives. There is an increased urgency for acting to protect the values that make Jackson Hole a national sanctuary, both physically and spiritually. Those of us who live here depend on the income of the pilgrims (you may recognize them as "tourists") who come here for renewal and recreation. We ask you to act now to help maintain the qualities which are the life and bread of Jackson Hole.

We suggest appointing a task force, with local, State, and national representatives to make recommendations, in the near future, for providing economic alternatives to subdividing for large landowners, and incentives for choosing such alternatives. We must all be willing to work in a spirit of cooperation, to develop creative means for maintaining open lands, and we believe it is important to do it soon.

The Teton County League of Women Voters respectfully requests that you move ahead constructively, and again, we thank you for coming to Jackson Hole to initiate the process.

Thank you.

Senator WALLOP. Thank you. Next is Jean Hocker.

STATEMENT OF JEAN HOCKER, JACKSON HOLE PROJECT, THE IZAAK WALTON LEAGUE

Ms. HOCKER. Thank you, Senator Wallop. I am Jean Hocker, a resident of Jackson Hole. I am here today representing the Jackson Hole project of the Izaak Walton League, which was established to seek and encourage alternatives to development of ranch land and open space in Jackson Hole.

First, let me say also how pleased I am that you have come to Jackson Hole to continue the fine discussion of land conservation alternatives which was begun at your subcommittee's workshop last month in Washington. It was a real pleasure for me to participate in that workshop, and I hope our discussions here today will prove benefical both to you and to Jackson Hole.

During the past several months, the Jackson Hole project has been researching and documenting the public values on Jackson Hole's private lands. We have consulted with a number of local residents, including business people, ranchers, planners, architects, Federal land managers, and wildlife biologists. The result is a report which describes in words and maps what these public values are and where they exist on private lands. We have also included a number of recommendations for actions that could be taken to maintain Jackson Hole's wildlife, scenic, agricultural and recreational resources, in ways that are equitable to all and compatible with appropriate development.

I wish I could present to you today a final printed copy of the report. Unfortunately, it isn't quite finished. Instead, I shall give you an extremely limited edition—it's valuable but it's very limited—called the Xerox copy, containing most of the material that will be

in the final document, and of course we will send you the final product in a couple of weeks.

I do want to enter into the record today one section of the report, the conclusion, which I should now like to read.

The valley of Jackson Hole harbors an unparalleled combination of wildlife, scenery, recreational opportunities, and a traditional ranching way of life which draws people from throughout the Nation and the world. Although most of the land in the region is federally owned, the private lands in the Jackson Hole area contain public values far in excess of their proportional acreage.

Enormous pressures to develop these private lands threaten to erode the values of the entire region, destroy the pastoral western setting of Grand Teton National Park, the National Elk Refuge, and national forest lands, and substantially reduce wildlife habitat that is crucial to animals who roam far beyond the private lands.

Today, the private lands of Jackson Hole can still be retained as a very special national resource and an appropriate buffer for Federal lands, combining open space and developed areas in ways that do not irretrievably damage public values. In the long run, careful and thoughtful development is in the best interest of the local community, the State of Wyoming, and the Nation; and will benefit landowners, local businesses, valley residents, and visitors alike.

The overall goal must be to keep the land in open space, wherever open space is needed to protect scenic and wildlife values. This can best be done on private lands by encouraging the continuation of ranching, a land use that is not only very compatible with the valley's other resources, but which also perpetuates the special western heritage for which Jackson Hole is known.

In addition, there are certain areas of the valley where many or all of the public resources overlap to a degree that merits special mention. The Snake River corridor and riparian lands are among these, having extraordinary wildlife values, as well as scenic, recreational, and agricultural values. Lands along well-traveled highway corridors are viewed by so many people that their open spaces also take on a special importance.

To protect public values, landowners must be offered incentives that make limiting development as attractive as subdividing. For some, present tax laws are a sufficient incentive; development has already been restricted on over 750 acres of Jackson Hole land by owners who have donated conservation easements to private organizations, in exchange for the tax deductions allowed by law.

But this incentive works only for some. For many, other forms of encouragement must be sought. These have been described in detail in this report, and include: Federal funding from public and private sources for easement acquisition; a simplified and focused land exchange program so that some development rights or easements in Jackson Hole may be traded for expendable public land elsewhere; sale of excess public assets to provide funds for easement purchases, as at Lake Tahoe and Las Vegas; income tax incentives for easement donations, such as increased deductions; increase in the allowable carryover period, or tax credits instead of deductions; estate tax incentives even beyond those as you point out will help a great deal, but to address the problem of ranches whose values now are so high that even these will not quite suffice.

We believe that most Jackson Hole ranchers value their way of life and their land and would, given a combination of such incentives, choose to keep much or all of their land relatively undeveloped.

Nevertheless, there is certainly room for some development in Jackson Hole, even considerable development in some areas. And the section and report illustrates how careful siting, giving highest consideration to wildlife and scenic values, can produce comparible development.

Protection of privately owned open space outside the national park and wildlife refuge does not require any land acquisition or public access. Indeed, in most cases, the wildlife, scenic, and agricultural values are better protected without public access as long as development is properly restricted. Conservation easements are much more appropriate tools than fee acquisition on these lands, and their cost is lower.

Likewise, no heavyhanded or coereive Federal action is necessary or appropriate. However, two Federal roles are essential if open space conservation is to succeed. First, many of the most powerful incentives like tax programs and land exchanges can only be provided at the Federal level. Second, the Federal Government is probably the most appropriate catalyst and coordinator for land protection efforts in Jackson Hole, because the valley is a national interest area where important public values are at stake.

There are also other vital actions and other actors. The State-owned lands in Jackson Hole contain all of the public values found on private lands; most are in agricultural use and they are scattered among the private lands. We reiterate in the report that the State of Wyoming must recognize the importance of keeping their Jackson Hole lands in open space, and develop a strategy and plan for continued compatible use of these lands.

In the private sector, a land trust or similar nonprofit organization is the most effective way of attracting private dollars, providing information to landowners, and solving land protection problems creatively and with flexibility as you earlier pointed out a need for. In addition, many landowners feel more comfortable dealing with a private organization than with a Federal agency. Nevertheless, the limitations of private giving must be recognized.

It must also be remembered that the present successes of private land conservation organizations are largely possible now because of Federal tax incentives which make private giving attractive for many people. Additional Federal incentives for land conservation would increase the role of these private groups.

The local government also has a crucial role to play, through good local planning and through strong support for efforts at all levels to encourage continuation of ranching and protection of wildlife habitat and open space.

Jackson Hole has great potential as a model for land conservation techniques, as a testing ground for the range of tools we have described, as a demonstration area for cooperative voluntary actions. Leadership and direction must come from the Federal level, but involvement and cooperation should be shared by many. This requires a strong commitment to long-range goals and the courage to act with flexibility, creativity, and firmness.

Above all, we cannot delay. More studies and agonizing soul-searching are not the answer; these have consumed too much of the last decade in Jackson Hole, producing a wealth of data and opinion, but few protected areas and no real choices for landowners. Every day, all of us are making decisions that affect the future of Jackson Hole, consciously or unconsciously. It is now time to decide on a deliberate course of action. Success will be measured by the amount of critical open land that is actually protected. It is time to act.

That is the conclusion of the report which I have given to you again. I really thank you for coming here to Jackson Hole to continue discussions on these kind of alternatives. Thank you.

Senator WALLOP. Thank you, Jean. We'll proceed with the Xerox copies for the committee files and we appreciate that. I just would say regarding your conclusion I'm not certain I agree that the role for leadership rests in the hands of the Federal Government or those who serve there. My real opinion of it is, and having listened to the comments here today, that the leadership role comes from here. And without a leadership role from here and without some political concensus from here, the Federal Government may inadvertently walk all over people, and I don't think that that's either in the short or the long-term interest of Jackson Hole. Because by so doing, the land simply escalates in value and still leaves you with the same kind of problem for dealing with the last of the best of what remains. My guess is, that if I were to ruminate on it a little bit, I really do believe the leadership role emanates from here.

Ms. HOCKER. Well, I agree it's a real important role for people locally. Obviously, it's vital to have the interest and support of local people, and perhaps to some it doesn't matter what else is done. But I do think that so many of the things that can be a real incentive for land protection here must come from the Federal level as well as the State and local level. You know, you can turn that around and say the same thing. It doesn't matter how much the local people want to do something. We can't dictate what Congress is going to do so——

Senator WALLOP. You can't dictate, but that's why I say you identify what it is and the means by which you hope to get there.

Ms. HOCKER. Maybe shared leadership.

Senator WALLOP. That's possibly the way. One other comment that your statement makes No one presently deals with Federal agencies. Not either true or likely to be true. Both the House and the Senate have provided more land conservation, land-water conservation fund moneys, than recommended by the administration. But you have to recognize and everybody in here has to recognize that we're in competition with the rest of America. Many people feel that their unique corner of it is as much of a national priority as we feel about this area. We have the $3 billion backlog and it weighs heavily on the decisions of the distributors of the Federal purse everywhere we are. So again the more creative means by which we can achieve these goals may be the shortest course.

Thank you all very much.

Ms. HOCKER. Senator, I would like to make one comment about purchase and sell-back. I just would like to make a couple of comments on that. I think it's a real good idea for private organizations to, you know, a good action and say it determines the value of conservation easements in a way that it's currently selling. I would point out that

it does require two things: One, a landowner who wants to protect his land by selling out and not by keeping his land himself or in his own family. And secondly, it does require a private organization that has both the up-front money to do it, to make the initial purchase and a willingness to take some of the financial loss.

Senator WALLOP. Well, I realized the status of it when we talked about it. I wasn't suggesting that a private organization would use the heavy hand of the Federal Government to condemn someone and do it. My suggestion is, and there was testimony to the fact that there are willing sellers here, people who have been cooperating with the Fish and Wildlife Service and others do want to make this move. If that can be achieved, then, you know, so much the better for all of us. I'm not saying that any of this stuff is easy, but we'll never know whether it works unless somebody steps up and tries it. It may not work.

We'll recess for lunch, it's now 12:20. We will come back at 1:45.

[Recess taken.]

AFTERNOON SESSION

Senator WALLOP. We'll call the hearing back to order. We have made an adjustment in the location of the table, in hopes that some of you will be able to hear better than was apparently the case before lunch. If it doesn't work, I don't know what we're going to do, because I think that's about the only adjustment that's left to us. If you can't, hear, again, speak to the speakers, and I'm sure that we can get them to hold the microphone closer, to speak a little louder, or just shut up and let the next one come on. I don't know how we'll work it but we'll do the best we can. We have probably 15 witnesses yet to go, so in the interest of time I hope that people will curtail their statements to the point necessary. All of the statements will be included in the record in full.

The first witnesses after lunch are Bob LaLonde, vice president of the Jackson Hole Chamber of Commerce, and accompanied by Ralph McMullen, manager.

STATEMENT OF BOB LaLONDE, VICE PRESIDENT, JACKSON HOLE CHAMBER OF COMMERCE, ACCOMPANIED BY RALPH McMULLEN, MANAGER

Mr. LALONDE. Thank you, Senator Wallop. We do have a very short time to read into the record today, as you mentioned. My name is Bob LaLonde, and I'm past president of the Jackson Hole Area Chamber of Commerce and currently on the board of directors. I'm substituting today for the chamber counsel, who had to leave earlier and couldn't wait for this time, but we want to thank you, Senator Wallop, for the opportunity of making our presentation to you today, and thank you very much for your interest in Jackson Hole and holding these hearings out here on August 18 or August 19.

The Jackson Hole Area Chamber of Commerce Board of Directors passed the following resolution that we wish to enter into testimony today.

I thank you very much for coming again, and for the opportunity to testify today.

[The resolution follows:]

JACKSON HOLE AREA CHAMBER OF COMMERCE,
Jackson, Wyo., August 28, 1981.

CHAMBER BOARD OF DIRECTORS SUPPORTS METHODS OF PRESERVATION

The Jackson Hole Area Chamber of Commerce Board of Directors has passed the following resolution that we wish to enter into testimony at the public hearings chaired by U.S. Senator Malcolm Wallop today:

It is the position of the Board of Directors of the chamber, that preservation and enhancement of the agricultural uses of land, and preservation of wildlife habitat, scenic areas and open space in Jackson Hole, is an important priority; and that alternatives to preservation other than fee simple acquisition of these types of areas should be explored and promoted, centering around such concepts as value for value land exchanges and transfer of conservation or scenic easements to organizations able and willing to accept and monitor such programs or easements. We fully support legislation necessary to foster these types of programs, such as any legislation necessary to expedite and simplify the exchange process, and any legislation which might be possible to provide additional tax incentives for the donations of easements or open space, and specifically recommend the possibility of credits for value to be used against inheritance taxes and against income tax as opposed to the simple deduction allowance presently available. We would also support other methods of preservation which are generally consistent with the ideas of voluntary participation on the part of landowners, and generally consistent with the protection of landowners rights and the free enterprise system.

Respectfully submitted,

DAVE LARSON,
First Vice President.

Senator WALLOP. Thank you Bob and Ralph. I appreciate the statement of the chamber. It does provide the measure of consensus that there is at least a first step and then a precept that we will undertake it from here on, too. Thank you.

The next witness is Hank Phibbs, National Parks and Conservation Association.

STATEMENT OF HANK PHIBBS, NATIONAL PARKS AND CONSERVATION ASSOCIATION

Mr. PHIBBS. Before I begin, I'd like to ask if it's possible to make a few comments in a private capacity. I spoke with your field aid, Pam Redfield, some time ago, and she wrote me down both to present a short statement on behalf of NPCA and to provide some other comments of a private citizen. I'd like to know if it's permissible to do that.

Senator WALLOP. By all means.

Mr. PHIBBS. Thank you, sir. Mr. Chairman, my name is Hank Phibbs. I am making this statement on behalf of the National Parks and Conservation Association as a trustee and executive committee member of the association. On behalf of NPCA I thank you for your concern about this important national issue. The valley of Jackson Hole contains one of America's treasures, Grand Teton National Park. For the millions of Americans who visit this valley each year, the mountains and lakes and animals represent an opportunity to see and experience one of the crown jewels of this country's magnificent natural heritage. Even though the private lands in this valley make up only a small fraction of the total acreage in the valley, much of the private land contains critical wildlife habitat and important scenic vistas for visitor enjoyment and appreciation of the park and forest lands.

NPCA believes that the protection and preservation of private lands which are important wildlife habitat or scenic resources is essential to the long-term protection of the scenic and wildlife resources which caused our Government to establish Grand Teton National Park.

NPCA generally supports the efforts of the Jackson Hole project and the Jackson Hole Alliance for Responsible Planning with regard to the preservation of important private lands in Jackson Hole and urges your committee to pursue and implement through Congress at the earliest opportunity a cooperative Federal program for the protection and preservation of important private lands in the valley. NPCA feels it is important to note to this committee that no magic preservatives exist to do this important job.The land values on these private lands are extremely high, in part because of their proximity to the internationally famous park lands. Whether the approach is one of direct conservation easement acquisition with Federal dollars, or easement acquisition through estate or income tax credits or through land exchanges, we are talking about the use of Federal resources to accomplish the preservation of these private lands. If the Federal Government acquires an easement through refraining from collecting State or inheritance taxes or through trading some other Federal land resource, the ultimate transaction is the same as though the Federal Government had purchased the easement directly with Federal funds. NPCA supports the preservation of private lands in Jackson Hole through the use of conservation easements, and urges this committee to prepare and present to the full Congress a program to accomplish this preservation.

As long as the program is realistic in terms of the situation affecting the owners of these important private lands, it matters little whether the Federal Government uses direct or indirect acquisition methods for the conservation easements. What matters is that these important private lands be preserved now, before more of them are lost to development.

NPCA believes it is important for the Congress to recognize that local government actions have not and practically cannot accomplish the preservation of these important private lands. Local government, particularly in areas around national parks, cannot accomplish this preservation since local government does not have the funds necessary to acquire conservation easements, and does not have the ability to raise those funds.

NPCA thanks you for the opportunity to appear before you and present these comments.

Mr. Chairman, I would like to make a very brief statement on my own behalf. For your record, my name is Hank Phibbs. I am a private attorney in Jackson, Wyo. I've worked with Teton County for 2 years in the preparation of implementation of county land use, and I served on the Wyoming State Land Use Commission during its 4-year commission term. I present these comments to you as a private citizen, speaking for myself. I do not believe it is necessary to present to you or the members of your committee the importance of the private lands in Teton County.

As an example of these are the lands that contain critical winter habitat that is utilized by many of the deer during summer in Grand

Teton National Park. Both of the parks have already partially been developed; some of that habitat is lost. The remainder of the habitat have present resident deer herd members that have come to enjoy its part of the wildlife resources of the national park.

The real concern to me is the actions that can be taken to preserve private lands adjacent to or near our national parks. Many of us have been working for a number of years on conservation easement programs. A number of landowners have already donated conservation easements in your valley. Unfortunately, not every landowner is in a position to give these easements away. Since the lands I am speaking of are closely related to in the park and forest lands, it is a legitimate activity to acquire easements across these lands.

I think it is important to consider the facts that local government, in particular the Teton County commissioners, simply do not have the ability to accomplish the preservation of these important lands. While working for the county commissioners as their deputy county attorney I became intimately aware of the political reality that local government does not have the ability to create nondeveloped zones or easements on its own without paying compensation.

I'm speaking to you without regard to the legality of that proposal, but as a matter of political reality in light of the conditions that exist here, in light of the limited private lands and the political pressures that are present in this valley, it is not a realistic possibility to say to the Teton County Commissioners, "You do it." They don't have the money to do it, and they can't do it without money.

The comment I would like to make to the committee is that the private land preservation is only one of the aspects of the preservation of the national resources which are important in this valley. If Congress were to proceed forward, if Congress were to take action to develop a conservation easement program, only part of the job would be done.

Senator, there is a related problem in the national forest that has to do with timber harvest activities, which I hope can be addressed by the Congress without expenditure of Federal funds, which will wade in the preservation of the significant wildlife habitat in Northwestern Wyoming.

I thank you for the opportunity to appear before your committee and to provide you with these comments, and I thank you for coming to Jackson and taking an interest in this problem.

Senator WALLOP. Thank you, Hank. Thank you very much. The next witness is Rod Lucas.

STATEMENT OF ROD LUCAS

Mr. LUCAS. Thank you, Senator Wallop. My name is Rod Lucas, and I'm a lifelong rancher, and I own and operate the ranch my father homesteaded soon after he came here in 1896. There is nothing I want more than to continue ranching it as long as I can, then turn it over to my children, who wish to do the same with it.

But cattle ranching is falling prey to development and we have lost much open space. Open space is a necessity to ranching, the two go hand-in-hand. Nationwide, the cattle business hasn't been too rosy for several years. Last year, I took 18 cents per pound less

than I did in 1979 for my calves, and it looks like 1981 prices will be lower than last year's. There are plenty of incentives for development. Landowners here are in an especially vulnerable spot because developers are banging on our doors offering 10 times the agricultural value of our lands. These factors, plus the Federal estate tax, are tailor made to foster development of the valley's remaining open lands. At the moment, the only solution to those of us who wish to keep on ranching and to preserve open space is, as an old toast states, "Here's hoping you live forever and I never die." I believe most of the ranchers and their children would like to continue ranching "till death do us part."

There have to be immediate alternatives to development or Jackson Hole will be wall-to-wall with houses and condominiums. I have three proposals which would greatly help to keep ranching and green space in Jackson Hole.

First, that it be made possible to trade development rights on open space lands for tax credits. These credits would be used to offset Federal estate, gift, and income taxes until consumed, and be based on fair market value of such rights. Recent changes in the estate tax laws are going to help farmers and ranchers considerably. We extend our sincere thanks to Senator Wallop for his efforts and his bill which resulted in these benefits for both agriculture and industry. But of our unique position here of high land prices through accelerated development, ranchers need help if we are to continue to withstand the onslaught of development. If we can get tax credits for our development rights, thus reducing our land values to agricultural values only, scenic green space will be preserved and we can continue cattle ranching.

Second, that it may be made possible to trade development rights of our ranch lands for Federal lands, such as BLM lands of equal appraised values.

Third, that the Grand Teton National Park be induced to allow some spring and fall grazing on lands from the Grovont River and east of Mormon Row to the Triangle X Ranch and on the Buffalo River Bottom lands, that it also grant its perpetuity to existing grazing permits within its boundary.

We seek your help in finding speedy alternatives. Senator Wallop, it means much to the people of the valley that we can express our concerns relative to the land preservation in Jackson Hole. I appreciate the opportunity to appear before your hearing. Thank you.

Senator WALLOP. Rod, thank you very much. That is a pretty creative concept. One of the things that's been missing in all of the conversations presented to the committee up until now is the role of ranching, and cattle ranching in particular; that's primarily all that exists in the valley, here. Your statement of what you got on your calves in 1979, you did better than I did. I got 21 cents less for my calves in 1979. But it is one of the significant pressures, as you say, that it's precious little to give you a credit against taxes on income, if you have no income. And we'll look at this; this is one of the reasons why I wanted this as a joint hearing. We are both, Senator Hansen and I, on the Finance Committee and the Energy and Natural Resources Committee, because much of the business of those committees related to what you're saying. We tried to do a lot, and we

did do a lot without the State tax. But I don't minimize to you the difficulty that we face in going further with the pieces of tax relief suggested here, and yet I think that your credit idea is a good one if we can do two things. One is to establish value in some credible way, and to establish the value to the county. There are two different ways.

There's a commercial value and then there's a value that fulfills an open space concept, that's where we're going to have difficulty and where we'll need the help of the local consensus. Which of these things, which of the open spaces that remain here, are of critical value to the county and which of them really are not? It seems to me that not every acre that is undeveloped is critical to the preservation of open space in the county. How we do that, I guess, is going to take the joint cooperation of the National Park Service and Forest Service and city and county and people with the creative ideas that you've just expressed here today. I really appreciate your comments. Thank you.

Next is Margaret Murie.

STATEMENT OF MARGARET MURIE

Ms. MURIE. Senator Wallop, thank you for coming. This is my own personal testimony from my own personal experience to living in Jackson Hole since 1927. I have seen history in the making, and I have both been pleased and displeased by some of the things I have experienced. I think we're faced here with the fact that there is a saturation point. Those of us who have lived here all of these years and enjoyed the beauty have sounded pretty selfish when we say nobody else should come. Everybody wants to live in Jackson Hole.

There is a physical, a geographical, a topographical, and geological set of facts that make this impossible from my point of view. I feel we have reached a saturation point in Jackson Hole. I don't think we can have much more population, much more development, without destroying the thing that is a national treasure, the place that people come to for rest and inspiration and which can last forever if it is properly cared for.

Through the years I have felt that Jackson Hole is a very special place in the world, and I have traveled over a good deal of the world and grew up in Alaska and have seen a great deal of Alaska, and I come back to Jackson Hole and it's still an overwhelmingly special place, and I think that it has never received the respect that is due it.

I would favor the continuation of cattle ranches. I think they are a legitimate part of the scene that is Jackson Hole. I would not like to see these beautiful meadows covered with houses. There is another point, if we have much more population, the mere impact of that many more human bodies on the environment, on the adjoining national park and national forest and wildlife refuge is bound to have an effect which will eventually destroy the qualities that people come to Jackson Hole to enjoy.

I think this is a national treasure, that there's every reason why the Federal Government should feel that it has a part and is trying to solve some of our problems, and that's why I'm very grateful that you have come here to hold this hearing. I realize that there are some alternatives, and I certainly believe that the local community and

the local organizations should play their part, and it's going to be a matter of cooperation among all of us, but it's worth the struggle, and we have a very precious heritage to keep and to pass on to our children and grandchildren. Thank you.

Senator WALLOP. Thank you. I guess, you know, I'll agree with you. I think it's somewhat unrealistic to dispose of everything. For things to happen so quickly, to permit nobody else into the valley before shutting the gate. That was a general statement I understand that. I guess it is one of the reasons I am particularly disappointed the State didn't see fit to be represented here, because as much as it is a local obligation this is an obligation that Wyoming shares as well. The State is prosperous right at the moment and it has a role to play.

Ms. MURIE. Very definitely, and I certainly agree with everything John Turner said this morning.

Senator WALLOP. Thank you for your testimony. Next is Stan Resor from Wilson.

STATEMENT OF STANLEY RESOR

Mr. RESOR. Senator Wallop and other members of the delegation, of committee staff, my name is Stanley Resor. Our family has owned land in Jackson Hole since 1929. My sisters, my two sisters and I and our 18 children and grandchildren today jointly own the Snake River Ranch located on the west side of the Snake River. About 200 acres of the ranch lies within the boundaries of the Grand Teton National Park. A substantial portion of the remaining land is in the vicinity of the park and a further substantial portion adjoins the Teton National Forest.

I appreciate very much the opportunity to express our family's concern and views on the perservation of open space in Jackson Hole.

As others have stated, Jackson Hole's scenery, wildlife and recreational opportunities are unique national assets. In fact, they are enjoyed by some 4 million visitors each year. Nearly 50,000 acres of undeveloped private land still exist in Jackson Hole. Most of this is used for ranching. This private land is critical to the wildlife, scenic, and recreational values of the surrounding Federal lands. Of this 50,000, less than 2,000 acres are permanently protected by conservation easements dedicated to the Nature Conservancy or to Teton County.

As others supported out, due to the heavy impact of Federal estate taxes, the cyclical nature of the cattle business, the accelerating growth of the valley's population, and the ever present temptation to sell to developers, the rest of the 50,000 acres of open land is threatened with development.

Fortunately, a start at preserving the private land has been made from several different directions; by the county, the State, and by private individuals.

In 1977, in order to regulate development, the board of county commissioners adopted a comprehensive land use plan. Although essential, the plan by itself will not preserve open space.

On the State level, thanks to Senator Turner who we heard from this morning, the Wyoming Legislature is considering a wildlife trust

fund that might be used to purchase easements on key wildlife habitat in Jackson Hole.

And last year, as you heard from Bill Ashley, a group of Jackson Hole landowners and residents organized the Jackson Hole Land Trust, a tax-exempt nonprofit organization which will seek gifts of conservation easements and it will try to raise funds to purchase some conservation easements. It is unlikely, however, that the trust will be able to acquire easements protecting more than a small fraction of the present open space.

These local, State, and private efforts will preserve some open space, but Federal assistance is essential to protect a significant amount of open space over the long term.

To move realistically to preserve open space in Jackson Hole, it is necessary for the Federal Government to provide substantial additional incentives for the gift or sale by landowners of conservation easements. Previous speakers have outlined various possible incentives. I would like to stress three alternatives.

First is the concept of exchanging, which we've heard several people speak of this morning, exchanging federally owned land elsewhere in Wyoming with less conservation valuable land in Jackson—no, the federally owned land elsewhere in Wyoming with less conservation value with landowners in Jackson Hole for conservation easements. Such a program would, I believe, require legislative authorization to acquire easements outside federally owned areas. It would also require identification of disposable Federal land in Wyoming, and finally, and I think especially, would require strong congressional interest to actually have those exchanges effected in a timely manner, and time here is of the essence.

Second, a proposal to grant credits against Federal income and/or estate taxes for the donation of conservation easements to nonprofit organizations such as the Jackson Hole Land Trust or the Nature Conservancy.

And finally, the suggestion that Bill Ashley referred to, the liberalization of the special use valuation procedure for ranch land transferred on the death of the owner to a member of the owner's family who continues to use the ranch for ranching purposes. I'm aware that you were—took the leadership in getting the former limitation of $500,000 increased over the years to pulling up, as I understand, to $750,000 by 1983, and that is, of course, a useful change. However, I think if you look pragmatically at what is happening in Wyoming and Jackson Hole, you'll see that that provision to date has not been used very much.

I talked at lunch today with a major accounting firm in Casper, and you know, they've had one occasion to use it in the last 2 years, for example, and what the new limit does is not—is not keeping up with inflation, so that if it hasn't been used in the past, it would not appear realistic to think—to assume that it would be used here a great deal in the future.

Unless the new marital tax deduction, unlimited marital tax deduction which you referred to this morning has an impact which would cause it to be used, however, if you look at the combination of the two, and I take it what you were assuming this morning is the first spouse

would give acreage to an heir or to a member of the family with a value of around $600,000 and then the second spouse would—and then transfer the balance of the ranch to the second spouse, and the second spouse would maintain the ranch and continue ranching and then claim on her death another $600,000 exemption and a $750,000 special use reduction, so you've got an aggregate of $1,950,000 tax-free transfer between the two on the deaths of the two spouses in total.

Even taking that figure, if you assume that the ranch is—the ranch would be valued at around $6,000 an acre, and I'm told that that is a value which one would on would have to expect the Internal Revenue Service to put on land here in most cases, you would only be able to exempt a total of some 225 acres, and here we have 18 ranches which exceed 225 acres and they comprise some 25,000 of these 50,000 acres, so that even if—if the fact that this is merely—they were—the special land use evaluation has really not kept up with inflation, because to have kept up with it over the 6-year period, it really should have doubled, if you take that into consideration. I still think that pragmatically, and based on past experience, this will not be an effective provision to protect land in Jackson Hole, even though it is certainly a step forward over the previous $500,000 limit. Accordingly, I think to be effective here, one would have to see it, the limitation, either eliminated on special use, as I believe you originally suggested when this was under negotiation in Congress, or at least increased something like threefold.

Finally, in the special case of the disputed lands along the Snake River, it may be possible to obtain conservation easements as an element in a settelement of the pending lawsuits. Our family is one of the parties to those lawsuits and we have proposed a settlement which would involve giving a conservation easement with public access in a designated area to the river, so I think that should achieve—that kind of a settlement should achieve the basic purposes of the Bureau of Land Management in those lawsuits, and settle after the long and expensive litigation has been conducted, an unfortunate situation where there is uncertainty as to who the ownership is in today.

In summary, the county and local residents have taken the first steps toward preserving the critical open space on private land in Jackson Hole. But looked at realistically, it's Federal assistance along one or more of the alternatives suggested is essential if a reasonable measure of success is to be achieved over the long term. The costs to the Federal Government in any of the suggested alternatives will be modest when measured against the value of the land that the U.S. Government owns in Jackson Hole, in the area and the recreational and scenic benefits that will be preserved for the many millions of Americans who will visit Jackson Hole over the next 50 years. Thank you.

Senator WALLOP. May I compliment you on the statement. May I also suggest that some of these special use qualifications have been eliminated. It's a much more simple thing to qualify for these than it was in the past. Also, while I was of the mind that there should be an unlimited deduction, as you suggest, that is politically unrealistic. At this moment in time, I haven't, nor has anybody else I know, assumed there would be no such thing as inheritance tax.

I agree with you that the local people and groups and the county have initiated activity which is highly valuable. Let me also suggest to everybody in here that there is a great deal more flexibility in that new tax bill, the summary of which is still available, I don't know how many of you gentlemen were out at the airport and noticed a significant number of corporate jets. That plus the 4 million people coming through here represents a major concern for the resources in this land.

The new marital deduction in a single year of 10 percent gross earnings is a significant dollar figure that has not been tapped. It is much quicker for a group of interested and dedicated people composed of members of this community, but including people from all over the world who enjoy this area, to put together the kind of group that can approach corporations to accomplish some of these things.

It is hoped that we're going to get fast action on rather complicated tax changes and other issues through a Congress wallowing in budget cuts and deficits during difficult times. I'm not suggesting we have no role to play; but I am suggesting that the role has been understated. At the Federal level, especially with the new tax bill, if a group of interested people bring their experience to bear in exposing corporations to charitable giving, the effect will be much more than anybody has seen.

The old 5-percent limit wasn't used frequently because, you know, some of the things were greater than that 5 percent. But if I'm not mistaken, there is a cumulative benefit that can be achieved by several corporations involved in some of these things, so some of these dollar figures are not out of the reach of corporate giving. Some of these corporations you might even know. A lot of them don't even realize their impact.

I'm suggesting that there may really be an untapped creative source that is available quicker. I'm not suggesting by any stretch of the imagination that I'm not going to do any work on this thing. I'm saying a lot of work could be done by local groups. It's pretty exciting really. We'll only know how effective it can be after it's been tried, and not before.

Mr. RESOR. Well, certainly that's what the Land Trust intends to do, make an effort with prospective donors, and we have the—of course we're not overlooking the possibility of corporate giving.

I've acted as general counsel for many corporations, and you do have a limited number, I think, of corporations that will give in an area where it is not clearly directly associated with the area in which they operate, or the area, the functional area or geographic or functional area in which they operate. In other words, they find it hard justifying as a corporation the purpose of giving in those situations.

Senator WALLOP. Now, perhaps, I take it what you're suggesting is perhaps someone like the oil companies, who need a better public image. People know they are fairly well off today, therefore they would make possible donors. Certainly we'll make every effort in that direction.

I think there's high public value to many of the corporations, even those that do not operate in Wyoming. Because if it is as everybody states—I don't quarrel with it and I don't know anybody who does quarrel with it, an area of national significance, there

is benefit to be gained by the publicity associated with a charitable gift. I, you know, I guess I get discouraged and disappointed when everybody says, well, it's unlikely that they'll do it. So everybody says, "Well, we won't approach them." Yet you go out there and see the number of airplanes and other things that are testimony to the interest that the world and the Nation has in this area. I'm not sure that it's worth giving up on especially if it's, you know, a really concerted effort and interest like that demonstrated in the museum in Cody. I mean, it's pretty hard for me to believe that some of these enormous gifts being given to that museum haven't been of direct benefit to the area of operations of those giving. But they've done it and I don't minimize the difficulty of it. I just think that if you're talking about an option that could work quicker and if there's a dedicated group of people who could do it, it's worth a shot. It's worth a lot.

Mr. RESOR. Well, we'll certainly do that. Thank you very much.

Senator WALLOP. The next is Suzanne McCool.

I think, just before you start, Suzanne, one other comment. One of the reasons everybody's gathered here is the concern over what remains as a direct result of charitable giving on the part of a family. You know, Senator Hansen said earlier, they don't need 33,000 acres here; there are not that many Rockefeller families. I'm not suggesting that they have a further obligation. I'm suggesting there may be more people with similar interests than perhaps we've yet come across. So, please excuse me.

STATEMENT OF SUZANNE McCOOL

Ms. McCOOL. Senator, thank you for coming to Jackson Hole to consider once again the techniques and our hopes for protecting this national resource. My name is Susanne McCool. I've lived for several years in Wyoming and Teton County. When I tell people that I come from this State, their comments reflect the open land, wide blue skys, clean water, and wild lands of Wyoming. They continue to be reminded of abundant wildlife, grazing cattle, and pure air; of ranchland, plans, and alpine meadows. The values of our country's western heritage live for them.

Sir, the people have a need for the preservation of these lands that offer the gentler, healing qualities to our lives. Looking back 25 years from now, or 100 years from now, we will know in what manner we survived. To live well, one seeks out space and time, the long view, and occasionally, silence. Without these available, human kindness is a memory. And so is human sanity.

I beseech you, and all stewards of our lands and dreams, and they are all of us, whether we know it or not, to do everything you can to make possible the protection in perpetuity of those values, those places that, throughout history, have strengthened and encouraged the faith and well-being of the people. One of those places is Jackson Hole.

Thank you, Senator, and I thank all of you who have come here today on behalf of this valley.

Senator WALLOP. Thank you very much, Suzanne.

The next witness is Franz Camenzind.

STATEMENT OF FRANZ CAMENZIND

Mr. CAMENZIND. Thank you for this opportunity to present my views on open space. We all know the problem. This valley has a finite amount of privately owned land and an apparent unlimited demand for its use. Hence, property values are determined by the development potential and not the agricultural use of the land. This creates a situation whereby some people can no longer do with their land as they like.

The artificially inflated land value obviously and understandably tempts many landowners to willingly sellout for huge sums of money. These people have that right. But also, many landowners are literally forced to sell their land because of the Federal estate tax laws. For example, when it comes time to pass the land on to their heirs, the estate taxes are so enormous that the beneficiaries must sell all or part of the land simply to meet their legal tax obligations. They have no alternative but to abandon their chosen life style and to change the use of their land. This is the situation which must be changed.

This is an acute problem in scenic and recreation areas such as Teton County, but the problem also exists in other parts of the country. In the Midwest, where my family lives, land values have become so high that few young couples can afford to begin farming if they have to purchase the land. They must rely on having it passed down to them from their parents, and even then the inheritance taxes are so great that keeping the land within the family creates an unreasonable hardship.

I think that the first goal should be to change the Federal estate tax laws and make it easy for people to keep agriculture land in the family. Solving this problem will go a long way toward preserving open space in Teton County and in the rest of the country. Because this problem exists across the Nation, I think it is appropriate that the solution be sought at the Federal level.

Encouraging landowners to keep their land undeveloped will help to maintain the high aesthetic value of the country and encourage the area's tourist based economy. Granted, most of Teton County is already public land, but most of the people who vacation here are exposed to almost all of the private land, and if this scenery deteriorates, then so will its appeal to the public.

Right now we have in Jackson Hole a realistic blend of wild scenery and western agricultural vistas; tourists from all over enjoy seeing the hay meadows and grazing livestock. It represents a way of life very different from what they are used to. It is something for them to appreciate and remember along with the mountains and wildlife. It becomes a positive part of their vacation. I have had scores of people tell me how disappointed they are to see the development cropping up throughout the valley and how much Jackson Hole is beginning to look like every other place. I have never heard anyone say that their vacation was more memorable because of all the subdivisions and development. To the best of my knowledge, suburbs have never been a big tourist attraction.

There is plenty of growth going on with the landowners who are anxious to sell and develop. Let's not force the unwilling landowners into subdividing. Let's provide a way for them to live on their land,

to remain the good stewards of the land. And let's change the system so that these owners can pass the land on to their children as a gift, and not as a hardship.

My interests are with wildlife, and I contend that wildlife is the best barometer of land quality that was ever invented. If our wildlife populations are diverse and healthy, then we know our land is healthy, and that is good for everyone. Maintaining open space in Teton County will assure the ecological health of the land and the well-being of our wildlife resources. From a wildlife standpoint, I would like to to see the all critical habitat which is in private ownership turned over to public ownership and administration. This is my belief.

Senator WALLOP. Did you say "turned over", or "acquired"? You don't say——

Mr. CAMENZIND. Well, acquired by the public.

Senator WALLOP. You're not suggesting that there be compensation.

Mr. CAMENZIND. No, I'm not suggesting there be compensation. Never would I suggest that. I just think that ideally, I would like to see these critical habitats under public administration, whether it's through the scenic easement or actually deeded through them. I don't think this is realistic. Certainly it's not a realistic timeframe we're looking at, because the wildlife resources are running out of time here in Jackson Hole to put this in a better protective situation Teton County, Jackson, is an integral part of the largest remaining intact wild ecosystem outside of North America. It's about 8 million acres. It sounds like a lot, but when looked at in the perspective of the entire Nation, it's a very small spot. A very small percentage of the land in Teton County is of a critical nature to wildlife, and presents a very important part in the well-being of those wildlife species.

Some argue that Teton County is already 97 percent publicly owned and that that should be enough for everyone, including the wildlife. Based upon percentage alone, the argument appears reasonable. But this is a case where there is more to the equation than meets the eye. The 3 percent of the county which is privately owned happens to include a high proportion of critical wildlife habitat. It seems that when the first settlers arrived in the valley, they sought out the most hospitable areas in which to live. These were primarily along the river bottoms and particularly in the south end of Jackson Hole. Unfortunately, this coincides with the winter range of elk, deer, moose, and bighorn sheep and nesting areas for bald eagles, osprey, trumpeter swans, geese, and many other species of waterfowl. There are not many places like this left for these animals to winter on, and most are either on or very near private land, land which if developed will no longer support these wildlife populations.

If we are truly concerned about wildlife, then we will not ignore the conclusions, the pleas and the warnings of the wildlife specialists; they all state that the future of our wildlife resources are in jeopardy because of the loss of critical habitat.

Now, we're not talking about turning the clock back 200 or even 100 years. We have lost a lot already in Jackson Hole, and what we are trying to save now is the minimum habitat requirements necessary to sustain current wildlife populations. We're not trying to winter bighorn sheep on East and West Gros Ventre Buttes or along the

mouth of Cache Creek; these populations were lost 25 to 50 years ago. We are not trying to bring elk back to South Park or back to the very land on which we are now standing. This land was lost for elk decades ago. We are not trying to set the calendar back to when wolves, wolverine, cougar, grizzly, and black bears roamed throughout Jackson Hole. That is already a thing of the past. But what we are attempting to do is keep this last small fraction of a deer herd, a last few areas where swans and geese can nest, some streams where osprey and eagles can nest and fish. And I contend that there are a lot of landowners in Teton County and across the Nation who want to do the same, but they cannot, because our system does not encourage saving open space. This must be changed.

I do not have a plan for saving our open spaces which is guaranteed to work or to please everyone, but I do have some ideas about what might work.

First, I think the system should be very simple. It should be free of bureaucratic hurdles and it should exist to help the landowner keep his land intact for himself and his heirs.

It should fairly reimburse landowners for their investment. Not being one to suggest more Federal spending, the plan should be based on a tax credit system. The tax credit should be determined from the difference between the fair market value of the property as appraised for its current use and the fair market value based on the development prospects. This figure should be established at the onset of the contract, and the landowner should be able to prorate this over as many years as he desires so as to make it beneficial even if he has a low yearly income.

Estate taxes should be greatly reduced or eliminated and the tax credit should be available to be used in lieu of estate taxes.

Once instigated, the open space easement should become part of the deed.

The tax credit schedule for an open space easement initiated by one generation should be passed on uninterrupted and unhindered whether through sale or inheritance.

If a landowner, for whatever his private reason, desires a cash reimbursement for the open space easement, private parties should be allowed to purchase the easement and donate it to the public and receive the same tax benefits as would have been granted to the original owner.

There should be no minimum or maximum size limit on the amount of land dedicated to open space.

Public trespass rights on the dedicated open space should be determined by the landowner.

At a time when our Nation is losing over 2.9 million acres of land annually to development, we should do everything in our power to encourage landowners to keep their land in production. In Teton County we have even more reason, we have a unique national treasure to care for. Let's give the landowners every opportunity to keep their land open. It will be the best investment our Nation can make.

And I thank you for your interest in the subject. I hope that we can all realize a fast solution to the problem.

Senator WALLOP. I appreciate what you're saying. I suggest to you and to others that this continued call for expansion of the farm and

inheritance tax be translated into action, be taken to the different groups across this land who vote. They well can understand the issue.

Already, as I'm sure you know, there is criticism for what we did with the inheritance tax. I think it's no secret that it was a benefit designed of, by, and for the rich, though why that is so, why only the rich were paying it is a little beyond me. Nonetheless, that is the nature of the change that remains in front of you, and for you to understand it here, for other people in this room to understand it. Because a special situation exists in Jackson Hole is one thing, but for that to become a matter of credibility, trying to sell it to Congress, it requires that we talk to more than each other. I've been a rancher long enough to know that most of the people who know about low prices are other ranchers who sit across as friends and tell each other what a damn miserable life it is, and the rest of the people don't know how bad the cattle market is. I'm suggesting to everybody in here that your obligation is more than to help me. We have a constituency to develop. It's not a short-time job. I believe in what you're saying; I don't quarrel with it. I've tried to get it—I got more than most people expected, but still we have a long way to go before we can persuade everyone else of the value of what we're talking about here in this room. And we have to be willing to tell it to more than each other. I hope you'll help me in that role.

Mr. CAMENZIND. I realize that, Senator. I appreciate your work you have done on this. I just have the feeling that—an inheritance tax to me seems like we're bordering on a double taxation system. It's not bordering on it; it's a flat statement of it.

Senator WALLOP. I agree with you, you know, and I don't think there are very many people in here who disagree with you. But our problem is not to be ranchers leaning across the fence and telling each other about the price of cattle. Our job is to get it out of this room, to other parts of the country. It's tough, let me tell you. Where we're going from here on will be some slow miles, and we need the help and the articulate nature of the people who have testified to this today. Thank you.

Mr. CAMENZIND. Thank you.

Senator WALLOP. Next is Roland McReynolds. Is Roland here? If he's not here, we'll pass on, and next is Mr. and Mrs. Hans Buehler.

All right. Mr. and Mrs. Buehler have not been able to stay. There is written testimony which they submitted for the record, which we'll accept.

[The letters from Hans and Helen Buehler follow:]

JACKSON, WYO., *August 28, 1981.*

Hon. MALCOLM WALLOP,
U.S. Senator, Chairman, Energy Subcommittee on Public Lands and Reserved Water, Chairman, Finance Subcommittee on Energy and Agricultural Taxation.

DEAR SENATOR WALLOP: We are pleased you are conducting this oversight hearing relative to the protection of Jackson Hole's pastoral lands.

As one reads the past isssues of the local papers, it is apparent local ranches are being subdivided or are planning to be subdivided. The prime reasons mentioned are:

1. The property will have to be sold anyway to pay the estate taxes, both Federal and State.

2. The astronomical population growth in the valley has brought with it people who have little or no regard for the rights of property owners, which is evidenced by permitting their dogs to run loose and chasing cattle, riding snow mobiles on ranches without permission, hunting without permission, etc.

If we do not have some means to protect the ranchers and their land, in a few years there will be no ranches. In their place we will have condominiums, condo shares, town houses, and homes all over this valley. In addition, the open space and the wild life of this valley will disappear as a result of this overdevelopment. This is currently occuring even though those that profit from it will not admit it. The need to protect these lands and the wildlife in the valley is urgent now! Tomorrow will be too late.

One way to reduce the inheritance tax would be be to assure that the value of the land is assessed on the basis of ranching, and not what it could bring as a subdivision. This land assessment should be the same for both state and federal government estate taxes. Estate tax credits could be granted for the value of conservation easements, assuring that the land would remain in the agricultural realm. These conservation easements would run with the land, regardless of ownership.

This type of procedure would help assure the land would remain in agriculture, and provide the additional inheritance tax incentive to keep it that way. It would also help to slow the increase in population, and hopefully the population could be taught to respect the propery rights of others. In addition, it would help to to assure the open space in the valley for the continued use by the wildlife so vital to this valley.

Sincerely yours,

HANS BUEHLER.

JACKSON, WYO., *August 18, 1981.*

Hon. MALCOLM WALLOP,
U.S. Senator, Chairman, Energy Subcommittee on Public Lands and Reserved Water, Chairman, Finance Subcommittee on Energy and Agricultual Taxation.

DEAR SENATOR WALLOP: Thank you for scheduling this hearing on land protection alternatives. You are giving us the opportunity to express our concerns, and I, for one, hope you are overwhelmed with responses which will convince you that people who live here and people who visit here are very concerned.

I am concerned that there has already been too much commercial development scattered along the highway leading into Jackson Hole from the south.

I am concerned that ranch lands are being converted needlessly into residential-commercial areas solely for quick financial profit.

I am concerned that ranchers are forced to sell portions of their ranches in order to pay federal estate taxes.

I am concerned that Jackson Hole retain its reputation as one of the most beautiful mountain valleys in all the United States.

The two alternatives for land protection which I believe you should pursue to help the Jackson Hole area are estate tax credits and income tax credits. Ranchers should be encouraged to donate conservation easements in strategic areas throughout the valley, either to a governmental or a private organization. In return, ranchers should receive credits on both estate and income taxes which would make it possible for ranching to continue.

Thank you for this opportunity to testify.

Sincerely yours,

HELEN BUEHLER.
(*Mrs. Hans Buehler*)

Senator WALLOP. Next is Skip Wright speaking on behalf of Paul Walton, of Jackson. Thank you, Skip.

Mr. WRIGHT. May I say a few things here, before we discuss it?

Senator WALLOP. Sure.

Mr. WRIGHT. Thank you for coming to Jackson Hole, Senator, and bringing your staff; it's appreciated. This has been a long, drawnout affair over many, many years, and hopefully we're still going to keep at it and right it.

I'm reading today a statement from my neighbor, a neighbor of many of the other ranchers in the valley, Paul Walton.

STATEMENT OF PAUL T. WALTON

Dear Senator Wallop, my name is Paul T. Walton. I live on a ranch four miles west of Jackson. It is bordered on the west by the Snake River and on the east by West Gros Ventre Butte. The ranch is owned by the Walton Ranch Company, a family corporation. We own 1,760 acres and lease 92 acres from the State of Wyoming. About 750 acres are irrigated hay land and the remainder is hillside pasture. We have a U.S. Forest Service permit for 706 head from June 16 to October 15 on the Blackrock-Spread Creek range.

Although the ranch supports two families and a hired man, there are many years when the operation ends up in the red. Nevertheless, I would like to continue the ranching operations, but the pressures to sell out are getting greater all the time. Adjoining lands on the east are being actively subdivided with houses going up everywhere. A gravel company has set up a rock crusher along the river next to me which operates 20 hours a day. We have to keep our windows closed to keep out the noise and the dust. Snowmobilers and cross country skiers are all over the place in the winter. Hunters roam at will in the fall.

The developers on the Butte east of me use pictures of my ranch meadows in their sales brochures and frequently I am asked how long it will be before I start building houses all over the ranch.

The purpose of my statement here today is to tell you, sir, that it's 5 minutes to midnight and to ask if there's any way possible to preserve these ranch lands before the gong rings.

The day I die the ranch will be put up for sale. The IRS will require such large sums for death taxes that it will have to be sold to a developer to pay them.

There has been earlier testimony before your committee that these Jackson Hole ranch lands are valuable as winter range for deer and moose and certainly even the developers recognize their scenic value.

Of course, I could give a conservative easement to the Jackson Hole Land Trust, but with land in the adjoining subdivisions selling from $15,000 to $20,000 per acre, I do not have enough other income to use such a substantial writeoff. And why should I give my development rights away when others adjacent to me are profiting so handsomely from the sale of theirs?

I have heard rumors of possible land exchanges that could be made for conservation easements so the rancher wanting to preserve his lands would be compensated at least in part. I would be very interested in working out such a trade. I hope some thoughts along these lines can be explored by your committee. I hope also that matters vital to the operations of these ranches, such as preserving range permits, liberalizing trailing permits, making certain marginal parklands available for limited spring and fall grazing can be considered, and measures can be adopted to ease the adversary relationship between the U.S. Park service and the ranchers.

Thank you for the opportunity to present my views.

Mr. WRIGHT. Senator, could I have a few words of my own, since I—this is not written down, but——

Senator WALLOP. Yes; since you're next on the list.

STATEMENT OF SKIP WRIGHT

Mr. WRIGHT. I'll also write a letter, putting this in proper form for your office.

Basically, our problem here in Jackson Hole is we're talking about laws, but we're forgetting that the ranchers own lands, and if the ranching industry is not made a little bit more welcome, if the community does not want the ranching industry a little more than they have already shown—we pay lip service in the master plan of the ranching community, and why do everything to run us out of business? Every rancher in this valley could come up with 10 examples, just one right after another. Hank Phibbs sat here a few minutes ago and said that the county has great problems in helping him buy easements, et cetera. He's absolutely correct; they do. There's no question about that, but there are no financial problems in supporting the ranchers.

There are no financial problems in saying, hey, these people are the custodians of the lands, as long as they stay in business. We have our own space. I hate to say this, but I think the master plan is as hypocritical as any document I have ever read. Don't get me too worked up, I could really take off. I think, and I would say, from the scattered applause and from talking to my neighbors for many years, it is up to the commissioners to support the ranchers; it is up to the community to support the ranchers.

There are lots of little things that have happened, and I'll throw one up just for fun. All right, these—the Government is going on spring belts on the Hansen property land. Has anybody every tried to figure out how they're going to get cows up and out again? It's going to be tough, because the county gave an easement to go ahead and do it, get the roads paved and all that, but as in the county where they went in and bought land, 125 feet for a cattle grazing trail beside the road, nobody's thought about that. These are the construction things that could be done. Nothing like that's been suggested. The only thing that's been suggested is save our land from going to the Federal Government and they'll give you money. We have both newspapers and a whole segment of the community up in arms about having an oil rig or two, but I'm not saying good or bad. Please don't play on me flat saying it's good or bad. But we're saying keep the oil, you know, keep that which would generate a lot of money, but around they go and put their hand out asking for money from the Federal Government. The hypocrisy of it is ridiculous. If the community wants the ranchers, they have to support ranchers, but we at least have to be honest in what we want, why we want it, and how we want it, and the best place for that to start is for some of these environmental ecological groups to support the ranchers, to help them, if they ask for help. Not to be antagonistic, but this has quite frankly been the case. Thank you.

Senator WALLOP. Yes; but rephrasing what you're saying, you're saying that they recognize your public obligation to protect and preserve the open spaces, but aren't giving you anything more than the recognition of that obligation, that they're leaving you to solve that on your own.

Mr. WRIGHT. No, sir, it's a little more specific than that. What it basically says on the master plan, on one of the paragraphs, I can't remember the exact page where I quoted, ranching should be encouraged, ranching should be preserved, stuff like this. That's a fine dea, but the people who live here do not have the right to jog on roads through cattle, people do not have the right to drive, you know, without slowing down through cattle. This is a lot the same way; it just doesn't happen to be enforced here. I don't know why people don't have the right to cross country ski or do whatever they choose. The ranchers have to stay in bills if the community won't help h'm. Not only is it the obligation of the community, really, to help us, it's also an obligation of the elected officials, and this is just not happening here, and I don't think anybody else is going to argue with me on this one, whoever ranches for a living, and so I think, yes, there's a lot of things that the community can do, the elected local community can do withour coming up with a heck of a lot of bucks.

Senator WALLOP. Thank you, an d for what you passed on for Paul. I think that we can do some of the things, and I would hope that we would have the cooperation of the Federal land managers along the lines that he's suggested.

About the problem suggested by ranchers to permit l beralizing trailing permits, I know that is a controversy in itself. I think your testimony is witness to that. But if those are some of the things by which the marginal business of ranching can be enhanced slightly, I would have thought that it would be in the interest of the community. We have tried that to the extent that they can be identified clearly. We could try to work on this.

Mr. WRIGHT. Well, I'm sure that if the commissioners should ask the ranchers to sit down and put down a list of things, something could be done in that respect, if you want to keep something in about them. Thank you very much, sir.

Senator WALLOP. Thank you. Next is Sally Haubert.

Frank Ewing's not here. We have a written statement from Phil Hocker, who said he would not be able to attend.

[The prepared statement of Mr. Hocker follows:]

STATEMENT OF PHILIP M. HOCKER

Senator Wallop, I am Philip M. Hocker; I am an architect, living and practicing in Jackson Hole since 1972. I serve as an unpaid volunteer with the Sierra Club, and hold the office of conservation chairman for the Wyoming Chapter of the Sierra Club. I am also a member of the national board of directors of the club, which is composed of fifteen directors elected at-large from the club's membership.

I thank you for the opportunity to speak today; you are to be commended for holding these hearings in Jackson; we hope they are the harbinger of action. The following comments are personal observations, and have not been ratified as Sierra Club policy; however, I think they fairly reflect a line of thought which the club may be expected to support. Please take them, though, as personal comments, not policy.

The Sierra club strongly supports federal action to protect open space and wildlife habitat values in the private lands of Jackson Hole. That is formal club policy; action has been supported by the Wyoming chapter, the Northern Plains region, and the national board of the club.

We recognize that any action must be tailored to the concerns of the landowners and the Jackson Hole community.

I think that the refreshing investigations into alternatives for land protection are useful, and that valuable new techniques may result. But I doubt that these alternatives to cash purchase will prove to be total panaceas. We should recognize that there are parts of our national heritage at stake in Jackson Hole, and that the Nation must be ready to pay the price, at fair market value, to protect that heritage.

The Federal Government takes in, each year, much more money which is earmarked for preservation funds than it expeends. The concept—the "social contract", if you will—behind the land and water conservation fund was that our Nation's gobbling up of one part of our national inheritance should be balanced by the protection and preservation of a different part of that patrimony. The concept is still sound. Those funds should be spent for the acquisition of permanent treasures for the future, not to repair potholes or waterpipes even if the pipes and potholes are in parks.

Land exchanges have been much discussed recently as a means of acquiring easements or title to protect land in Jackson Hole. I think exchanges may be a useful option. However, the public lands of the Nation should not be regarded merely as a source of currency. Each land exchange should be evaluated to insure that both sides of the exchange are of public benefit—that is, the disposition of any public domain lands should be approved only if those lands are more valuable to the Nation in private hands, presumably developed, than in public ownership.

If that test is met, then the disposable lands may be used as trading stock to acquire title or easements where the public is best served by owning them—in open space or wildlife habitat in Jackson Hole, for example.

Land exchanges are a slow and cumbersome process now; some steps to make them faster and easier to execute would help a lot.

With those caveats, I think land exchanges should be developed as a protection method. Legislation to enable exchanges to be negotiated on a willing-buyer, willing-seller basis on the lands in Jackson Hole which are not now legally open to such action should be adopted. Steps should also be taken to assist the Federal agencies in Jackson Hole with the added paperwork load this program will demand.

Land-use zoning has also been discussed in some circles as a low-cost method of protecting open space and habitat. But in fact, zoning is not low-cost. It simply shifts the burden of payment away from the government and onto the landowner. The common belief in Jackson Hole is that this would be unjust, and whatever the justice, the reality of local politics is that local officials are not going to bear the political heat for effectively confiscating land values in order to protect some tourist's view. I think that the advocates of zoning are not very close to the realities it would encounter in practice. I doubt that zoning will prove a useful tool for significant protection of open space or wildlife habitat in Jackson Hole. This is not to belittle the present county master plan, which is doing valuable service to ameliorate the effects of growth—but that is a different goal from major land protection.

Private philanthropy has been a powerful force for protection in Jackson Hole in the past; it may have a strong role to play in the future. But, as the organization "private sector" stated last night, charitable organizations are being hit now by the double effects of tax-law changes which will reduce the tax incentives for private donations, and the simultaneous increase in demand for charitable assistance, due to Federal spending cuts. We cannot count on private giving to do the whole job in Jackson Hole; a combined partnership is needed of both private and public preservation work.

Wyoming, statewide, is under siege nowadays, It is a battle which we don't even dream of winning outright, Much of the state has been radically changed in the past decade, and my own guess is that the next decade will make what's happened so far look like a Sunday-school picnic.

But we are not hopeless, as a state. We still have some of the nation's best air—and if a strong Clean Air Act is reauthorized, we hope to be able to keep that. We still have excellent water, hunting, fishing, and still have many areas of unspoiled country. With some good wilderness acts we may be able to keep the best parts of that, too.

But the part of Wyoming that the State is proudest of—the thing you see when you walk into State offices in Cheyenne or your office in Washington—is Jackson Hole. We've been talking about doing something to help keep the best parts of that protected for years now. Nothing nas been done. I hope these hearings are, as I said at my opening, a Harbinger of action. It's none too soon.

Thank you for the opportunity to speak today. If I, or the Sierra Club, can be of further assistance, we hope you will call on us.

Senator WALLOP. Pete Jorgensen.

STATEMENT OF PETE JORGENSEN

Mr. JORGENSEN. Senator Wallop, thank you very much for coming out and continuing your interest in the subject. We appreciate your interest and ——

Senator WALLOP. I can't hear you. Speak clear and distinct.

Mr. JORGENSEN. We appreciate your coming out. My name is Pete Jorgensen. I'm a landowner and a consulting engineer and land surveyor here in Jackson. My wife agrees with what I'm going to say, even though she hasn't even heard it.

Senator WALLOP. She's obviously a politician.

Mr. JORGENSEN. I was involved in development west of here, about 600 acres, 200 of which were developed on the remaining 400 scenic,

and were donated or were promised to be donated. In that development there were some problems in taking advantage of the entire credit because of the 30-percent annual limitation in the 6-year limitation. I do, in my business as a consulting engineer, land surveying and have daily contact with developers. I realize the pressures that they are under; time is very critical. They get offers weekly. In my opinion, the county has done about all they can do by adopting a comprehensive plan which not everyone is happy with, but which does function. They set up the County Scenic Trust, and have received donations which they are monitoring. That's a very difficult private process. Private owners have done things that are totaling in something less than 2,000 acres which are under easement. The State, as far as I'm concerned, and I think of the State, if you will, I think of Senator Turner, he's the only one I see frequently, and I think what John said this morning is an excellent example of where we hope our State is headed, and the issue of preserving open space and wildlife and scenic values here. I also heard the Federal land managers speak this morning, and I was frankly very impressed by the advances that they've identified in identifying critical areas. In their scope of responsibility, all of them seem to have gone through a pretty good process in reaching what was critical in this area, and got to the point of having a potential agreement ready to carry out and for probably a bunch of reasons were not able to do so.

I would suggest that one thing that the Congress could do is on those specific areas which are identified, move quickly. If you agree that they are significant, I think you would get bigger support, and I think in that—when you draw a parallel with Casper—I think we—I said this much, when the Congress delegation realizes things are important, and generally considered to be broadly important by the residents, they can do things very quickly, and it may not require years and years of business as usual. I think the Federal role is clearly defined, and I think the land mangers locally have done their part. I think the trail just leads into the next Congress or five Congresses from now. If we had to computerize everything, it would never get done. I think we've heard, what, four or five clearly identified projects for which tradable lands could go I think real rapidly, with the support of Congress. We've heard support, and I may be biased in my interpretation of some of these things as to whether they constitute support or not, but I feel support from Senator Hansen, from the Chamber of Commerce, from the ranchers and from the county commissioners, even though they all disagreed on some of the minor items. I certainly hope to proceed and continue the efforts made, too. I do appreciate your efforts at the legislature and appreciate your obvious interest in continuing to investigate the open space possibilities. Thank you.

Senator WALLOP. Thank you, and let me say that speed is a good deal easier when it's an administrative decision that is to be made by your own party in power than would be the case otherwise. I think it would wear me out to pursuade 532 other people of the merits, of the wisdom of three people from Wyoming. There is a lot of competition for dollars now, and that will be more, rather than less, as we try to get some kind of handle on our budget. The vote need not be a national vote, although I think that the number of votes is a clearly critical need of this county. The Federal Government doesn't know, has no

idea of what it has, what might be expendable from agency to agency, not alone, in the total. They need—it's been quite a good term, quite a good deal more flexibility in interagency transfers. They need administrative flexibility as well as intellectual flexibility. I think it's fair to say that a BLM district officer knows every pine tree and boulder under his care, and you know, it obviously can't get the same kind of care that Hansen Forest Services says it could. It's easy, especially in Wyoming, because there are people approaching the issue with a good deal more intellectual flexibility, but that's been bad for us.

One thing, you know, I think is important again, to emphasize the need for State involvement. This is why I'm disappointed that the State didn't see fit to come here. Because while there are tradable lands in other parts of Wyoming, in the concept which some brought in from Teton County, or the concept of the Federal land manager from Cheyenne, or the district office in New Orleans, Palm Springs, or what have you, these tradable lands might not seem nearly so attractive to the local county where they're being traded out. And, second you need—you've got to have the State get involved to the point where you can use that catalyst for local governments. This is not the question of a Federal Government deciding that it has surplus scattered around the valley. I ask that it deal on a one-on-one basis with Teton County, because let me tell you that the county has all kinds of ideas about the value of that land being traded to somebody, when they may have their own land use plans and growth plans. So, we have, you know, we have a huge effort in front of us that requires good will and isn't Democrat or Republican. This is not a partisan issue, has no business being one. This is an issue that is necessary to resolve problems of not only Teton County, but of other places in the State. So I appreciate your statement. We'll continue to work and try to provide legislative tools to open doors, but it's going to require a good deal of cooperation on the part of all units of government to make it work.

Mr. JORGENSEN. OK, I hope we get that. Thank you.

Senator WALLOP. Next is Jim Barlow. I saw him earlier this morning. He apparently hasn't come back. Phil Wilson.

STATEMENT OF PHIL WILSON

Mr. WILSON. Senator Wallop, thank you for allowing me this time. I'll just finish some of these things I wanted to say. My name is Phil Wilson. I'm a cattle rancher and a landowner in Jackson Hole; as a matter of fact, within the National Elk Refuge. I was kind of a party to a red blotch that was up here on a flap earlier today. I have been involved in a number of transfers of private land to the Federal Government. The first one concerned land in Sweetwater County along the Flaming Gorge Reservoir that was condemned. The second was a three-way trade which I personally was involved in between the national forest in Utah and the Bureau of Land Management, and we've been involved in sales of land to the U.S. Fish and Wildlife Service here in the valley, so we have had a little bit of experience in that type of thing that you're talking about today. One thing that I found out, in almost all of these, the nature conservancy is very limited in its usefulness, and one of the reasons it's a private organization

with its own rules and regulations that constrict seriously the role that they can work in. The second, which has been mentioned a couple times, the trade of proposed for Federal lands are very difficult and very time consuming, but some of the reasons that this is true have not been approached.

One of them is, and I assume that it's still in effect was the oil shale withdrawal account where lands were withdrawn from dispossession because of oil shales under the property. Well, in Sweetwater County, that was about 1944, 100 percent of the land, and that's true of many other counties. It's very difficult for any mineral rights owned by the Federal Government to be disposed of, and what it's saying, I believe it has to be approached if we're going to speed up the process. Another thing which—another thing that we have to look at is the feasibility of interest straight trades. In other words, if, as the national forest wants something for use, and that I may own, and I may desire land in Sweetwater County or anywhere, that this system must be worked out where something can be given to you from one State and acquired in another State, because usually all agencies that acquire properties are not the ones that dispose of property. Of course, there are also endless economic studies that have to be made, so a lot of that can be cut through and should be cut through. A lot of it that is just wasted may one day—Mr. Max Lieurance, I can't see if he's still here. He mentioned it, but he used the figure of a trading ratio of 5 to 1, where some of these ratios should not be preset, or be preconceived, because land values alone are the things that should determine the ratio of lands acquired versus those disposed of.

Land in Jackson Hole can approach $25,000 an acre, lands in Rock Springs can be worth $25 to $50 an acre, so to preconceive of a 5- to 1-ratio would impede the progress. One reason we must be careful of when we're talking about the appraisal of funds or the use of funds is that we allow enough money to be set-aside for the appraisal of these properties in the exchanges. The budget must include it, you know, even if we're not going to buy anything else besides that. We've got to at least allow for the payment of the people who appraise these lands for the Federal Government, so that we can affect a trade, and not be trying to find some funding somewhere and just not have any, and that one thing might be the thing that would stop the trade right there.

On a different subject, many things lead to the development of private lands, and one of the major things in there is the basic profitability of ranching, and I know you understand this, but the tax laws have discouraged this.

Let's look at something else. One of these is the important laws on beef, or in the instance recently read, on kangaroo meat they're importing instead of beef. I think we've got to protect the American landowner and put this ahead of our foreign policy. Another thing is the Federal restrictions on grazing permits. Up the river from me that was for sale, and I was unable to because of the requirements on the land adjoining it. Even though I have control of the property, I did not have sole ownership, and so the whole thing was kind of—was thrown into a lot, and I was simply told that I could not buy a cow permit and trade it with a steer permit, so many of you under-

stand what I'm saying, I hope. As far as Federal permits are concerned it was a real problem, was one of the reasons we couldn't go further. So I suggest opening up and making use of Federal grazing laws a little bit easier, to increase the profitability. A recent article in the newspaper about a local rancher could be solved by saying one thing. He's trying to sell out and trying to move up to Montana, and just left, and if he does, we'll probably be subdivided, and the reason is that ranching in this valley just wasn't any fun anymore, partly with Federal regulations and other with loose dogs that were bothering him both on his property and up into on his forest permit area, and that just—it just wasn't any fun, so he's going to go try it somewhere else. So to conclude, I'll read the following:

One, to identify road blocks, to make exchanges, interagency problems, interstate problems, mineral problems and appraisals, and if —I don't—recommending the forming of another committee or group is kind of dumb, but I'm sure there's someone that's not really all that biased that could be assigned a job to expedite trades. Let's also make ranching a bit more profitable by putting landowners ahead of poor Polly, and I would third and last encourage Federal agencies to accommodate the users of Federal grazing lands. Thank you very much.

Senator WALLOP. Well, thank you. There is some very interesting and creative work being done now in terms of changes in Federal land policy and acquisition, and come to think of it, we'll probably be seeing some of it maybe yet this year. The flexibility of trading is something that's been brought up not only here a number of times, but was certainly brought up in the workshop in Washington, and there's a general agreement that it would be desirable to make interstate trading a possibility. But I have to tell you that there's also a general agreement that it's complicated, and if it's complicated to get the county and city people in Teton County to agree with the county and city people in other counties about the value of the trade, you just simply compound it when you go across the State line, one of the problems is that public land, regardless of its value, has some sort of indisposable asset of the Federal Government. One of the reasons why I think your answers have a philosophical inconsistency, is in the way people view the issue.

They sit and look at the value of Federal Government lands resulting from acquisition undertaken in the last decade and a half. That's only true if you intend to expend that capital, otherwise increase in value is of no value to you, and I'm not suggesting we can barter or put the Government in business. But the plain fact is that in some instances the increased value in land in some areas could well be directed toward a greater purpose in expediting the acquisition of some kind of a thing that holds no value as opposed to one that is attractive. Maybe we can get somewhere on it, but it's going to require the understanding of a lot of people.

Is there anyone else in the room who would wish to make a statement? That completes our witness list. If there is, we would have time hear that now. Senator Hansen.

Senator HANSEN. Senator Wallop, I've already spoken, but I do think that one very useful function that has not been suggested by

this hearing here today is that we ought to have gained a greater appreciation for the problems that Senator Wallop and the members of the congressional delegation face in Washington. It's not difficult at all, because of our capacity to be myopic, here, to look upon a specific problem here and wonder why Federal laws can't be changed to make a better accomodation in the direction of solving local problems. I would hope that each of us, I'm certain I have, and I assume that each of us shares a feeling I have that we have a better appreciation because of your presence here today and you're explaining it so clearly the difficulties in trying to sell a Federal program that might serve us well, but is looked upon by the other 535 Members of the Congress through a different set of glasses. I thank you, Senator, for your answers.

Senator WALLOP. May I say that I have enjoyed today. There have been some useful ideas presented relating to the workshops that we have already conducted. I don't want to leave anybody with the illusion that many of the things that have been practical sounding aspects to them will be quick to come about. Some can be, and I think some will be, but those are more in the area of administrative changes in statutes. We'll work on it, and we'll keep your interests in mind, and I would state again that the hearing record will be held open for 2 weeks for the statements of any group that was not able to be here today, any interest group, and I would again express my hopes that we would hear from the State Game and Fish Department and Mr. Swan's land commissioners, officers, as to their ideas, because this is—though we've focused predominantly on the problems involved in Jackson Hole, Teton County, it still is a national and a State issue, and we need their concepts to make it work, not only here, but other places. So with that, let me express my thanks again to all of you and the hope that we always have when it comes to Teton County.

It's always a pleasure, and the only problem I have in coming to Teton County is that I have to leave Teton County and go on back to work in the morning, but with that I call the hearing adjourned, with my special thanks to the staff who traveled down here, and the reporters who have such a terrible chore to come to this wild outpost of the world. With all respect, everybody has had a good time here. Thank you for your help with the Finance Committee and the Energy Committee. The subcommittees will stand adjourned.

[Whereupon, the subcommittees adjourned.

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

JACKSON, WYO., *September 1, 1981.*

Hon. MALCOLM WALLOP, *U.S. Senator, Chairman, Energy Subcommittee on Public Lands and Reserved Water, Chairman, Finance Subcommittee on Energy and Agricultural Taxation.*

Dear Senator WALLOP: I regret I was unable to attend the afternoon session of your oversight hearing in Jackson, and present my comments to your committee. I did listen to the morning comments and have some additional thoughts I'd like to have entered into the minutes of the hearing.

Your recent legislation on estate taxes has been a great help to many of us, including some of the ranchers in the Valley. However, I fear that with the price of land in this valley, a lot of the ranches will still have to be sold for development because of the cash requirement to pay both Federal and State estate taxes.

Congress passed legislation that created Yellowstone and Grand Teton National Parks. Congress should, therefore, also assume the responsibility to preserve some of the highly scenic approaches to these parks. I do not believe the public at large want the approaches to these parks cluttered with "rickey-tic" development such as is now becoming apparent in the Jackson area. Please note the area State Rd. 22 to Teton Village (State R.D. 390). I fear the same will occur on State Rd. 22 from Jackson to Wilson. We have seen 1,000 acres of the East Gros Ventre from Hoback Junction to Jackson on U.S. 89 and U.S. 26. Also note the area from Butte, just west of Jackson relegated to some 300 condos and a 100 room hotel. This will certainly have a pronounced detrimental effect on the Spring Gulch area. This kind of development is not needed in this valley.

I feel it is not necessary for our Congressional Representatives to have the approval of the local elected officials for any action you might take. Why not ask your constituency what their feelings are with respect to any proposals you may make? This could be ascertained by response to a questionnaire in one of your newsletters? With respect to the local elected officials, one must delve a little deeper to find the reasons for the comments they make. I'm sure you will find there is a possible conflict of interest due to their personal business operations. The people at large are the answer.

I'd like to propose the following for your consideration:

1. All ranches in excess of 35 acres, which have not been decreased in size since Jan. 1, 1980, and any part of which is located within 15 miles of any point of either Grand Teton National Park or Yellowstone National Park shall be considered as being of a highly scenic value, and should be preserved as such in the National Interest.

2. Any ranch fitting the above criteria, and remaining in tact, and being used for ranching shall, at the time of probate, have all of its land assessed for estate tax purposes at the current market value as ranch land.

3. Should the owner or owners of such a ranch donate a Scenic Easement to the Federal, State, or local government, or some other non-profit entity, capable of accepting such scenic easement, the scenic easement will be valued at the current market value for developmental land for housing, less the current market value for ranch land. These values to be ascertained by a registered appraiser in the general area in which the ranch is located. The scenic easement will forbid any development except that directly required for the continued operations of the ranch. The scenic easement would run with the land in perpetuity.

4. Estate tax credits would be given for the value of the scenic easement as spelled out above. Thus, it would seem that these ranches, which are deemed to be of highly scenic value, and as such, in the national interest, could be transferred to the spouse or the heirs with no estate taxes and the land would remain in ranching, and thus open space.

5. The net value of the scenic easement, i.e., the value of the land for development purposes, less the value of the land as ranch land would be available as a Federal income tax credit to be equally spread over a period of 20 years. This credit would run with the land regardless of ownership.

As an example, let us assume a ranch has 1,000 acres as of Jan. 1, 1980. On Jan. 1, 1982, the effective date of this proposal, the market value of ranch land is $1,000 per acre. The ranch would have a value of $1,000,000. Let us assume, the value of the land for development purposes is $6,000 per acre. The scenic easement value would be $6,000 minus $1,000 or $5,000 per acre, or $5,000,000 in total.

Considering the estate taxes, at the date of probate, as long as the value of the ranch land for ranching had not reached $5,000 per acre, the land could be willed to the heirs free of estate tax.

As regards income tax credits, the value of the scenic easement was $5,000,000, thus each year, there would be an income tax credit of $5,000,000 divided by 20 or $250,000 per year that would be deducted from the gross income of the ranch. If the gross income of the ranch was less than $250,000, there would be no federal income tax due. Each year the value of the remaining total income tax credit would be reduced by $250,000 regardless of whether all of the annual credit was used. This income tax credit would be the incentive for the rancher to donate the scenic easement. It would also be an incentive for the heirs to continue the ranching. In the event the heirs did not desire to stay in ranching, it would permit them to sell the land and act as an incentive for the buyer, who would have to remain in ranching to utilize the credit. The final lock on preserving the open space and ranching, would thus be the scenic easement which would run with the land in perpetuity.

I am sure this proposal needs some refinement, but it is the idea, the incentive, and the preservation of the ranching scene and the open space that I am trying to profer that is important. There is not need for any federal expenditure, and perhaps no need for a new law, perhaps it can be handled by Executive order or by the IRS as a rule in the Federal Register. Your Estate Tax legislation exempts 97 percent, so this additional would be negligible nationally, the same being true for the income tax credit.

I trust you will find this idea innovative and worthy of your further consideration. I am retired, no rancher, and therefore would not benefit from such a proposal.

Sincerelv yours,

HANS BUEHLER.

MOOSE, WYO. *September 3, 1981.*

Hon. MALCOLM WALLOP,
Energy and Natural Resources Committee, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR WALLOP: I am encouraged by recent trends in the political atmosphere that may lead to changes and revisions in federal land acquisition policies. The July 9 and 10 workshop on Public Land acquisition and alternatives is an excellent start. The direction you gave to the Jackson August 28 hearings was also well considered and enlightening. As a part of this hearing, I wish to have this letter recorded in the testimony. I will confine my remarks to the Park Service land acquisition policy only. Most of what I have to say I have presented at earlier hearings. Support for my statements can be found in the record of hearings, in official correspondence and in the files of the National Park Inholders Association.

The land acquisition policy of the National Park Service has been to obtain all inholdings. This policy is unrealistic, unnecessary, and in its implementation has been unfair and discriminatory. The objectives of this policy, as well as the methods used to carry it out, should be carefully analyzed and revised. Past Congressional Committees have found the policy unnecessary for either the proper preservation or administration of Park resources. In many instances, the policy as pursued has been illegal.

I am a property owner in Grand Teton National Park and I obtained my land prior to its inclusion within Park boundaries. Park Service policy has prevented me and my children, as well as other landowners, from using our land, selling our land to a private party, and even from selling it to the government at a fair market price. This has been a frustrating situation as it makes it impossible to plan our lives, careers, or activities. It is a curtailment of economic freedom, the cornerstone of political freedom. The policy actually makes our valuable, undeveloped land worthless. To disregard policy results in condemnation. We can truly be classified as second-class citizens.

As I see it, the basic problem of Park Service land acquisition is not preservation of open spaces or unique resources, as important as this may be. The problem is to construct a policy that is not in direct conflict with the preservation of political and economic freedom of American citizens as originally guaranteed under the Constitution. The bureaucratic interpretation of the government's power of Eminent Domain has been extended beyond the bounds of its original intention. Even a rumor that recreational land may be subject to "adverse development" is now sufficient grounds for land condemnation with the serving of papers of Taking. I strongly suggest that the Congress re-examine the original intent of this power and determine whether present practice is consistent with a Democracy where individual worth and individual rights are respected, a concept which has made this nation botn great and free. It is also imperative that the Park Service's appraisal system be re-evaluated by disinterested parties and revised to conform with the operation of a free market.

As was brought out in the July '81 workshop, I believe that private inholdings are not necessarily incompatible with park use and values and may, in addition, keep the land productive. Also, landowners provide valuable services that government cannot duplicate. Your statement in Jackson that log cabins, rustic developments, etc. are not detrimental to park values and management precisely reflect my views on this subject. I am opposed to truly adverse development and blaring unconforming uses, but homesites do not fit in this category.

As a professional ecologist, researcher, and resource manager, I am interested in the preservation of what has been termed "adjacent lands" in Jackson Hole but I think the problem should be solved with a minimum of federal participation. However, if government is involved, the final policy as worked out for adjacent lands should apply to inholders as well. In other words, we should have the same choice of alternatives to fee acquisition—easements, land trades, selling of development rights, etc. We have been denied these options.

Policy, as you well realize, is evanescent. It can and does change at will with shifts in bureau administrators or with changes in political power. I would respectfully but strongly suggest that at least some basic aspects of a revised fair and realistic land acquisition policy be drafted into legislation and presented to the Congress with the hope that it might become law.

I appreciate the excellent work you have done in respect to estate and gift tax laws and I wish to thank you for your efforts toward resolving the land acquisition policy in an atmosphere of moderation and reality.

Respectfully,

F. C. CRAIGHEAD.

JACKSON, WYO., *August 19, 1981.*

SENATOR MALCOLM WALLOP,
Lander, Wyo.

HON. SENATOR WALLOP: Having come to Jackson Hole for the last 20 years and after having lived here for the last three years, I have come to love this part of the country.

Pressures for development of open space is great in Jackson Hole. I fully understand the rights of propertyowners to develop their land, to realize the greatest possible profit for tnem and their families. On the other hand I cry a little bit inside each time I see another ranch going the route to development, because of obvious economic reasons.

Senator Wallop, if there is anything you can do to equitably compensate propertyowners for tneir land value in order to preserve the beauty of this valley, I most certainly would like to encourage you to do so.

Thank you for giving this matter your earnest consideration.

Sincerely,

ROLAND FLECK, M.D.

STATEMENT OF MARJORIE A. GRANT

Jackson is a unique and special area. The abundance of wildlife, spectacular scenery, and recreational opportunities draw millions of visitors annually.

There is strong local support to find creative solutions for preserving open space in this valley by means compatible with controlled development.

I urge that necessary aid and direction be available at the national level to retain the quality of this environment. Assistance might be provided in the form of realistic tax credits, land exchanges, or in some cases, direct funding.

We owe it to future generations to preserve the unparalleled values of this area and the next few years are critical.

I wish to thank Senator Wallop for his attention to this matter and for sponsoring the public hearings in Jackson.

BUFFALO, WYO., *August 21, 1981.*

DEAR SENATOR WALLOP: I will be unable to attend the hearing on the Jackson Hole area on the 28th to offer oral testimony, so I would like to submit this letter for the record.

As a lifelong Wyoming resident, I strongly recommend that some way be found to keep the Jackson Hole area in its natural state. Development must be curbed in some manner. Row upon row of condominiums and houses are not the answer for such a beautiful area. Surely there are ways to curb development with scenic easements, land trades, or something in the way of tax incentives for people who own land and want to get top dollar for their property. Much of Jackson Hole's charm lies in its uncluttered natural state. The long-term payoff will be much greater if it can be kept that way. I firmly believe that most of the landowners feel this way also. All they need is a chance to get fair market value when they decide to sell. Surely some way can be found to let them do this.

Thank you.

FRED K. GRAY.

JACKSON HOLE PROJECT,
Jackson, Wyo., September 10, 1981.

HON. MALCOLM WALLOP,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

DEAR MALCOLM: Many thanks for coming out to Jackson Hole last month to conduct the field hearing on alternatives for land protection. It certainly seemed clear from the testimony that people here still care about our ranchlands and open space and hope that together we can find alternatives to development.

It is not an easy problem at any level. I certainly appreciate the political difficulties of doing more with the estate tax right now, after you have already eliminated that tax for most people. I hope, however, that you will not dismiss the possibility of trading conservation easements for estate tax credits, at least in designated areas of high public conservation values, such as Park adjacency areas.

I hope, too, that land exchanges can be facilitated, so easements here can be more easily traded for excess public lands elsewhere in Wyoming. This might be tried at least to protect the most important wildlife habitat like bald eagle nesting sites and riparian lands along the Snake, or to provide substantial scenic setbacks from major highways. It does not seem unreasonable to think that priority for land exchanges could be given to an area like Jackson Hole, where the national interest is indisputable. Finally, a modest federal appropriation for acquisition of easements, perhaps on a matching basis with state and/or private funds, still seems appropriate here.

I know it is no simple matter to work any of these things out, and we who live in Jackson Hole must certainly do our part. Still, the ten thousand residents of Jackson Hole cannot alone be expected to "keep Jackson Hole nice" for nearly four million annual visitors.

We are grateful for your willingness to wrestle with these dilemmas, and appreciate your holding the hearing to discuss them with us. Please do let me know if I can be of any help.

Sincerely yours,

JEAN HOCKER,
Coordinator.

Moose, Wyo., August 26, 1981.

Senator WALLOP,
Lander, Wyo.

DEAR MR. WALLOP: This is my personal testimony concerning open space in Jackson Hole.

I firmly believe that now is the time for you, Mr. Wallop, to make every effort possible to preserve open space in Jackson Hole. Land use in this county is changing at a rapid rate. We cannot delay any longer. We need to act swiftly, to save the wildlife, the scenery, and the ranching scene. There are no other Jackson Holes. Our children will not likely forgive us if we let this national treasure be destroyed.

Thank you for your time and effort.

Sincerely,

THOMAS D. MANGELEAN.

JACKSON HOLE WYO., *August 29, 1981.*

DEAR MALCOLM: I was unable to attend your hearing on Jackson Hole land protection but I did want to express our view on the subject. Cherry and I definitely want to see encouragement of ranching, open space and wildlife on the valley's private ranch lands. As you know, Jackson Hole may well be the most unique, most beautiful spot in the continental United States. Soon there won't be much left to save.

I like the idea of income tax credits and Federal appropriations for easement aquisition (or any other rational means). Please help.

Sincerely,

ED.

LARAMIE, WYO., *August 26, 1981.*

Hon. MALCOLM WALLOP,
U.S. Senator,
Jackson Hole Hearing

DEAR SENATOR WALLOP: The undersigned, as a long-time interested Wyoming resident and frequent visitor of the Jackson Hole area during my lifetime, wishes to strongly endorse the efforts being made by certain public spirited residents of this area in their goal to establish a program; of protection of a major portion of the open lands of the Jackson Hole Valley from further extensive residential, commercial and industrial development, thus ruining much of the scenic and recreational values of the area.

I believe the protection of these lands for this purpose is of paramount importance to the residents of this Valley, as well as to tne State of Wyoming and of our Country.

The basic goal and the Alternatives which have been carefully outlined by the Project promoters, which offer a number of practical courses of action, need to be carefully studied and a course of action outlined which lead eventually to the accomplishment of this goal.

The active cooperation of the Wyoming State Government and of the Federal Government should be definitely enlisted in this Program, as well as that of all organizations interested in the protection of this valuable scenic area.

I trust that you, Senator Wallop and the other members of the Wyoming Congressional Delegation will give all possible support to the accomplishment of this very worth while program.

Sincerely yours,

BURTON W. MARSTON.

FISH CREEK RANCH,
Wilson, Wyo., September 10, 1981.

DEAR SENATOR WALLOP: I was at the hearings in Jackson recently at which you presided concerning ways of saving certain scenic and wilderness lands from exploitation and development.

I was not one of those who made a presentation and since there was not a general question and answer period I did not get a chance to bring up a matter which I would like now to bring to your attention.

There was much discussion at the hearing of possibly trading scenic easements on areas such as Jackson Hole for less vital federal lands elsewhere. This is an excellent idea, but I believe there should be legislation which would permit the

outright sale of certain federal lands and this money so obtained by the federal government to be put in a special fund to secure open space easements.

For example, I have a ranch in Bondurant which is halfway between Jackson and Pinedale. The forest service boundaries in this area are very irregular and intrude on many private properties. Eighty acres of forest land dips right down into the middle of one of my hayfields. In fact, some of it we do hay. On present law and regulations there is no way we can buy it or even lease it. This situation exists all over Bondurant and I daresay all over the West.

I respectfully suggest that if the appropriate bureaus were to sell these lands to adjacent landowners, perhaps putting conservation easements on them as they were sold, a large pool of funds would be generated for the purposes discussed at the meeting in Jackson.

Very sincerely yours,

GILMAN ORDWAY.

DEAR SENATOR WALLOP: A year ago I wrote to you expressing my conviction of the need for prompt federal measures to preserve the ranch lands of Jackson Hole. These lands are worth saving in themselves; because they provide vital habitat for wild animals, habitat especially critical in winter for animals coming down from higher areas of the Yellowstone ecosystem; because of their enhancement of scenic values for tourism—the backbone of Jackson's economy; and because of their proximity to spectacular public lands which belong to all Americans, including those yet to be born.

I noted with pleasure in your letter of July 31 this year that estate tax legislation you introduced in Congress, with the aim of reducing the intolerable pressure for development of ranch land, has passed. The legislation is surely a step in the right direction and I wish to thank and commend you for it. However, as you know, the legislation which passed in Congress limits its application to a total ranch value so far below those of the average Wyoming ranch (and in particular the ranch land in Jackson Hole, with its extreme inflation), that it will not materially alleviate the problem of disappearing ranch land in this valley.

I therefore you to explore a full range of alternatives or preservation of ranch land with the aim of immediate action. Even in the year that has gone by since a number of concerned ranch owners from this valley wrote to you asking for help in preserving their lands, the pressure on these lands has increased. Beautiful areas have been sold and developed. Our options are steadily dwindling.

I hope—for the land's and the animals' sake—that before it is too late you will be successful in securing a variety of measures for protection. Land exchanges, income tax credits, direct purchase for easements, or actions by and funds from federal, state, local or private sources are all possibilities.

What truly counts is not talk and studies, but the land and the animals it supports. Please be as effective in saving these pastoral lands as you have already been sponsoring and passing you initial legislation.

Yours truly,

KIP WALLACE.

WILSON, WYO., *August 28, 1981.*

Hon. MALCOLM WALLOP,
U.S. Senate Dirksen Building, Washington, D.C.

DEAR SENATOR WALLOP: I am writing to support the position of the Jackson Hole Project and the Jackson Hole Alliance for Responsible Planning with regard to the preservation of important private lands in Jackson Hole, Wyoming.

Due to my work schedule I was unable to testify at the hearing, but wished to thank you for making this opportunity available to the residents of Teton County.

As an individual who does not receive any direct benefit from tourism or ranching, but who resides in this valley, I feel that preservation of these ranch lands is of vital importance. In my mind protection is needed to keep the dwindling wildlife habitat intact. With development advancing so rapidly, (which almost always includes dogs roaming free), these lands are simply no longer available to the animals as routes of migration or as wintering range.

Secondly, I feel a sincere need to preserve these open spaces from a scenic point of view. They are a constant and continuing source of unsurpassed beauty and of emotional tranquility for all the millions of vistors, as well as those of us who enjoy them year round.

The manner in which the federal government helps in acquiring conservation easements is a matter which I do not understand well and therefore will not comment on, except to say that we do need federal help in this effort. It is simply not economically feasible for local government to help much in this regard. Please pursue with diligence in Congress a program to accomplish this preservation.

I thank you for your attention to this important matter.

Very truly yours,

PHYLLIS A. WELLS.
Wilson, Wyoming 83014

TRAIL CREEK RANCH, Wilson, Wyo., *August 25, 1981.*

Senator MALCOLM WALLOP.

DEAR MALCOLM: I am very sorry that I am not able to attend your Jackson hearing in person. But, we are at the very height of my season here and I cannot get away.

However I would like to be included in the hearing record as I feel very strongly that matters have reached a crisis point in this valley.

Rather than go into the many possibilities that can be implemented to save at least part of this unique valley, I would like to emphasize the following: It has been my conviction that one of the chief culprits in the sale of the large ranch holdings has been the IRS.

The ranches in question are taxed as agricultural land, a reasonable tax in keeping with the relatively low income generated by the cattle business in present times. When the owner dies the IRS comes in and re-values the land on the basis of what it would bring were it to be sold to a developer. The result is that many have been forced to sell a large portion of their holdings to pay the inheritance tax.

I feel that the first objective in our battle to preserve Jackson Hole is to change this approach to appraising farm lands and have the inheritance tax based on a valuation in keeping with ranch lands, not sub-development.

Respectfully submitted,

ELIZABETH WOOLSEY.

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